Gt. Brit. Colonial Office

(6) 370

CUSTOMS DUTIES (CANADA AND THE WEST INDIES).

RETURN to an Address of the Honourable The House of Commons, dated 30 May 1856;—*for*,

"COPIES or EXTRACTS of any CORRESPONDENCE which has taken place between the Colonial Office and the Governors of our *North American* and *West Indian* Colonies, on the subject of a Proposal for the Mutual ABOLITION of CUSTOMS DUTIES upon the Productions of *Canada* and the *West Indies*."

Colonial Office, 28 July 1856.

JOHN BALL.

(*Sir Stafford Northcote.*)

Ordered, by The House of Commons, *to be Printed*, 29 *July* 1856.

37

	Page.
Circular Despatches from the Secretary of State - - - - - - -	1
Correspondence with the Governor-General of Canada - - - - - -	4
Correspondence with the Governor-in-Chief of Barbados and the Windward Islands - - - - - - - - - - - - - - -	35
Correspondence with the Governor of British Guiana - - - - - -	57
Correspondence with the Governor-in-Chief of the Leeward Islands - - -	62
Despatch from the Governor of Jamaica - - - - - - - - -	65

SCHEDULE.

Circular Despatches from the Secretary of State.

NO. IN SERIES.	FROM WHOM.	DATE AND NUMBER.	SUBJECT.	PAGE.
1.	Circular Despatch from Right Hon. Lord John Russell to the Governors of Her Majesty's Colonies.	1855: 12 July - - -	IMPOSITION OF DIFFERENTIAL DUTIES ON GOODS IMPORTED INTO THE COLONIES. Calling attention to Lord Stanley's Circular of 24 May 1843, and pointing out the evils that would still result from the adoption of such measures - - - - - - -	1
2.	Circular Despatch from Right Hon. Sir W. Molesworth, Bart., to the Governors of the West India Colonies.	11 August - -	PROPOSAL FOR THE MUTUAL ABOLITION OF CUSTOMS DUTIES ON THE PRODUCTIONS OF CANADA, AND OF THE WEST INDIES. Stating the grounds on which Her Majesty's Government would regard the proposed arrangement as very objectionable - -	3

Correspondence with the Governor-General of Canada.

DESPATCHES FROM SIR E. HEAD.

3.	Governor-general Sir E. Head, to Right Hon. Lord J. Russell.	1855: 20 July (No. 88.) -	In explanation of the origin of the proposal for establishing Free Commercial Intercourse between Canada and the West Indies - - - -	4
			Report of Committee of Legislative Assembly on Trade and Commerce, and Correspondence with the Governor in Chief of Barbados, enclosed - - - - - - -	5
4.	Governor-general Sir E. Head to Right Hon. Sir W. Molesworth, Bart.	20 Sept. (No. 131.) -	Correspondence on the subject with the President administering the Government of Montserrat, enclosed - - - - - - - -	34

DESPATCHES FROM THE SECRETARY OF STATE.

5.	Right Hon. Sir W. Molesworth, Bart. to Sir E. Head.	1855: 16 August (No. 18.) -	In acknowledgment of Despatch of the 20th July (No. 3 of series), and enclosing copy of Circular Despatch of the 11th August (No. 2 of series), for information and guidance - - - -	35
6.	Right Hon. Sir Grey to Sir E. Head.	19 October (No. 45.)	Expressing approval of his answer returned to the President of Montserrat - - - - -	35

Correspondence with the Governor in Chief of Barbados and the Windward Islands.

DESPATCHES FROM SIR WILLIAM COLEBROOKE.

7.	Governor Sir William Colebrooke to Right Hon. Lord J. Russell.	1855: 3 May (No. 27.) -	Addresses and Resolutions from the Council and Assembly of Barbados, on the proposal being brought before them, reporting that he had forwarded them to the Governor-general of Canada	35
8.	Governor Sir William Colebrooke to Right Hon. Lord J. Russell.	18 June (No. 40.) -	Extract of Report of the Lieutenant-governor of Grenada, on the Blue Book for 1854, on the subject of the proposal - - - - -	37

DESPATCHES FROM SIR WILLIAM COLEBROOKE—*continued*

NO. IN SERIES.	FROM WHOM.	DATE AND NUMBER.	SUBJECT.	PAGE.
		1855:		
9.	Governor Sir William Colebrooke to Right Hon. Lord J. Russell.	18 July (No. 62.) -	Extract of Speech on opening the Session of the Legislature of Barbadoes, on the subject - -	37
10.	Governor Sir William Colebrook to Right Hon. Lord J. Russell.	26 July (No. 65.) -	Referring to the Resolutions of the Legislature, and advocating the views which have led to the adoption of the proposal in question - -	37
11.	Governor Sir William Colebrooke to Right Hon. Lord J. Russell.	7 August (No. 67.) -	In reply to Circular Despatch of 12th July (No. 1 of series), and submitting further observations on the subject - - - - - - -	39
12.	Governor Sir William Colebrooke to Right Hon. Lord J. Russell.	13 August (No. 70.) -	Referring to the Treaty between Her Majesty and the United States, of June 1854, and recommending the negotiation of a similar Treaty on behalf of the West India Colonies - - - -	40
13.	Governor Sir William Colebrooke to Right Hon. Sir W. Molesworth.	11 September (No. 12.)	In acknowledgment of Circular Despatch of the 11th August (No. 2 in series), and submitting further statements in support of his recommendations, that the West Indies should be allowed to enter into an arrangement with Canada, for the free interchange of their Produce - - -	40
14.	Governor Sir W. Colebrooke to Right Hon. Sir W. Molesworth.	24 September (No. 81.)	Further observations on the subject, in reply to Secretary of State's Despatch of 28 August (No. 22 of series) - - - - - - -	43
15.	Governor Sir W. Colebrooke to Right Hon. Sir W. Molesworth.	9 October (No. 86.)	Referring to the Resolutions of the Assembly, enclosed in his Despatch of 3 May (No. 7 of series), and in explanation of a passage in his speech on opening the Session, on the subject -	46
16.	Governor Sir W. Colebrooke to Right Hon. Sir W. Molesworth.	22 October (No. 90.)	Treaty with the United States of June 1854; further observations in regard to his recommendation for the negotiation of a similar Treaty with the West India Colonies. Remarks on the comparative expense of production of sugar in Cuba and Barbados - - - - - - - -	46
17.	Governor Sir W. Colebrooke to Right Hon. Sir G. Grey.	27 November (No. 99.)	In reply to Secretary of State's Despatch of 19 October (No. 26 of series), Slave Trade in Spanish Colonies; remarks in reference to -	47
18.	Governor Sir W. Colebrooke to Right Hon. H. Labouchere.	31 December (No. 68.)	Referring to Circular Despatch of 11 August (No. 2 of series), and transmitting an Address from the Legislative Council of St. Vincent, on the subject of the proposal - - - - - -	47
		1856:		
19.	Governor Sir W. Colebrooke to Right Hon. H. Labouchere.	21 January (No. 4.)	Extract from Governor's Report on the Blue Book of Barbados for 1855, in regard to the proposal from Canada - - - - - - - -	48
20.	Governor Hincks to Right Hon. H. Labouchere (Extract).	7 May (No. 25.) -	Remarks on Reciprocal Free Trade with Canada, and in reference to the late Treaty between Great Britain and the United States - - - -	50

DESPATCHES FROM THE SECRETARY OF STATE.

NO. IN SERIES.	FROM WHOM.	DATE AND NUMBER.	SUBJECT.	PAGE.
		1855:		
21.	Right Hon. Sir W. Molesworth to Governor Sir W. Colebrooke.	11 August (No. 4.) -	In acknowledgment of Despatch of 3 May (No. 7 of series), and referring to Circular Despatch of 11 August, for information and guidance -	50
22.	Right Hon. Sir W. Molesworth to Governor Sir W. Colebrooke.	28 August (No. 15.)	In reply to Despatch of 26 July (No. 9 of series)	51
23.	Right Hon. Sir W. Molesworth to Governor Sir W. Colebrooke.	3 September (No. 16.)	Speech on opening Session of Legislature of Barbados acknowledged. Observing, in reference to the passage regarding the mutual abolition of duties; that great caution is necessary in expressing opinions to the Legislature on questions affecting the general policy of the Empire -	52
24.	Right Hon. Sir W. Molesworth to Governor Sir W. Colebrooke (Extract).	4 September (No. 4.)	Lieutenant-governor Keate's attention to be drawn to Circulars of 12 July and 11 August 1855 -	52
25.	Right Hon. Sir W. Molesworth to Governor Sir W. Colebrooke.	18 September (No. 18.)	In acknowledgment of Despatches of 7 and 13 August (Nos. 11 and 12 of series), reference to previous answers and remarks in regard to the Treaty with the United States of June 1854 -	53
26.	Right Hon. Sir G. Grey to Governor Sir W. Colebrooke.	19 October (No. 2.)	In reply to Despatches of 11 and 24 September (Nos. 13 and 14 of series), views stated by Governor do not alter the opinions previously communicated to him - - - - - -	53
		1856:		
27.	Right Hon. H. Labouchere to Governor Hincks.	22 February (No. 4.)	Sugar grown in Spanish Colonies. Enclosing letter from Foreign Office on the subject of Sir W. Colebrooke's recommendations in regard to. In reply to Despatch of 27 November. (No. 17 of Series.) - - - - - - -	53
28.	Right Hon. H. Labouchere, to Governor Hincks.	28 February (No. 5.)	Address from Legislative Council of St. Vincent acknowledged. (In reply to Depatch of 31 December. No. 18 of Series.) - - - - -	57

Correspondence with the Governor of British Guiana.

DESPATCHES FROM GOVERNOR WODEHOUSE.

		1855:		
29.	Governor Wodehouse to Right Hon. Lord J. Russell.	21 April (No. 48.) -	Proposal of the Chairman of a Committee of the Legislative Assembly of Canada, for the mutual abolition of duties on the productions of Canada and British Guiana reported - - - - -	57
30.	Governor Wodehouse to Right Hon. Lord J. Russell.	11 August (No. 116.)	In reply to circular Despatch of 12 July (No. 1 of Series), requesting instructions on the subject of -	58
31.	Governor Wodehouse to Right Hon. Sir W. Molesworth.	17 September (No. 130.)	Pointing out the negative character of the course taken by the Legislature of British Guiana, in reference to the proposal in question - -	58
32.	Governor Wodehouse to Right Hon. Sir W. Molesworth.	20 October (No. 150)	Editorial Articles in the Royal Gazette newspaper, enclosed on the subject - - - - - -	58

DESPATCHES FROM THE SECRETARY OF STATE.

NO. IN SERIES.	FROM WHOM.	DATE AND NUMBER.	SUBJECT.	PAGE.
33.	Right Hon. Sir W. Molesworth to Governor Wodehouse.	1855: 11 August (No. 10.) -	In reply to Despatch of 21 April (No. 27 of series), and referring to Circular Despatch of 11 August, for information and guidance - -	61
34.	Right Hon. Sir W. Molesworth to Governor Wodehouse.	27 September (No. 34.)	In reply to Despatch of 11 August (No. 28 of series), and pointing out the course to be pursued in the event of an Ordinance being passed by the Legislature of the Colony, granting specific Exemptions from Duty to the Productions of Canada - - - - - - - -	62
35.	Right Hon. Lord Panmure to Governor Wodehouse.	27 October (No. 41.)	In reply to Despatch of 17th September (No. 31 of series), and expressing approval of course pursued in the matter - - - - - - -	62

Correspondence with the Governor in Chief of the Leeward Islands.

DESPATCHES FROM THE GOVERNOR.

36.	Governor Mackintosh to Right Hon. Lord J. Russell.	1855: 9 June (No. 47.) -	Extracts of Addresses interchanged between the Lieutenant-governor and the Council and Assembly of St. Kitts, on the subject of the proposal - - - - - - - - - -	62
37.	Governor Hamilton to Right Hon. Sir W. Molesworth.	11 October (No. 1.) -	Despatch from Lieutenant-governor of St. Kitts, in explanation of the passage in his Speech relative to a Free Commercial Intercourse between that Colony and Canada - - -	63

DESPATCH FROM THE SECRETARY OF STATE.

38.	Right Hon. Lord J. Russell to Governor Mackintosh.	1855: 14 July (No. 22.) -	In reply to Governor's Despatch (No. 36 of series), and calling for an Explanation of a passage in the Lieutenant-Governor's Speech on the subject of the proposal from Canada - - - -	65

DESPATCH FROM GOVERNOR OF JAMAICA.

39.	Governor Sir H. Barkly to Right Hon. Sir Wm. Molesworth.	1855: 8 September (No. 92.)	In reply to circular Despatches of 12 July and 11 August (Nos. 1 and 2 of series), and reporting the course pursued on receipt of the proposition from Canada - - - - - - - -	65

COPIES or EXTRACTS of any CORRESPONDENCE which has taken place between the Colonial Office and the Governors of our *North American* and *West Indian* Colonies, on the subject of a Proposal for the Mutual ABOLITION of CUSTOMS DUTIES upon the Productions of *Canada* and the *West Indies*.

Circular Despatches from the Secretary of State.

— No. 1. —

No. 1. Right Hon. Lord J. Russell to the Governors of Her Majesty's Colonies, 12 July 1855.

COPY of a CIRCULAR DESPATCH from the Right Honourable Lord *J. Russell* to the Governors of Her Majesty's Colonies.

Sir, Downing-street, 12 July 1855.

I DESIRE to call your attention to a circular despatch addressed to the Governors of Her Majesty's colonies by Lord Stanley, when holding the seals of this department, on 24th May 1843.

His Lordship observes, in that despatch, that:

"The imposition of discriminating duties on goods imported into the British colonies, when the discrimination is made for the protection of some branch of British or colonial industry, is an office of great difficulty. To the right discharge of it, an intimate acquaintance with the commercial treaties and political relations between this kingdom and foreign states is indispensable. To legislate on such a subject in ignorance of those treaties and relations, would be to render inevitable much serious practical error.

"But, in the nature of the case, it is impossible that this knowledge should be possessed in the requisite degree by the various local Legislatures of the colonies of this kingdom; they have no means of knowing the state or the objects of pending negociations, nor even of ascertaining, with absolute precision, the terms of treaties actually concluded. If they legislate at all on these subjects, they must do so in ignorance of some facts which cannot be safely excluded from consideration.

"Neither is it possible that 40 distinct Legislatures, having no means of mutual communication and concert, should act consistently on such subjects. The local opinions or interests of each colony must dictate the laws of each; and the general code of the empire, compiled from so many different sources, must be at the utmost variance with itself on a subject on which unanimity and consistency is indispensable. In such a state of the law, Her Majesty's Government could not negotiate or treat, with confidence, with any foreign state, for commercial purposes; nor could they fulfil such treaties as might be made. Painful and injurious discussions with those states must arise, and perhaps indemnities and compensations must have to be paid.

"Nor is this all. If such laws should be promulgated to meet the local views and to advance the local interests of each particular colony, it would be impossible for the Ministers of the Crown, or for the commercial body in the United Kingdom, to ascertain with the requisite precision at any given time, what is the real state of a code so complicated, and framed by so many different authorities.

"For these reasons, Her Majesty's Government decidedly object in principle to the assumption by the local Legislatures of the office of imposing differential duties on goods imported into the respective colonies. Parliament having already prescribed the rules by which such duties are to be discri-

minated, with reference to the place of origin or of export, to Parliament alone the power of altering those rules must be reserved.

"You will, therefore, exercise all the legitimate influence of your office to prevent the introduction into the Legislature of the colony under your Government, of any law by which duties may be imposed on goods in reference to their place of production, or to the place from which they may be exported. In the same way you will exert yourself to prevent the introduction of any law imposing on refined sugar imported into the colony, higher duties, in the case of sugar refined in this country in bond from foreign sugar, than in the case of sugar refined here from British colonial sugar.

"If, unfortunately, your efforts should be unsuccessful, and if any such law should be presented for your acceptance, your duty will be to withhold your assent to it. From the discharge of that duty, however unpopular it may be, you will not shrink; for by declining to undertake it, you would only subject Her Majesty's Government, and the colony itself, to a still more serious inconvenience."

I have introduced into my present Despatch the greater part of Lord Stanley's; because, although since it was written the policy of the Government of this country has undergone great modifications, the principles laid down in it remain unshaken, or are, if possible, still more firmly established as part of our commercial legislation.

Under the old system of colonial policy, the colonies of Great Britain were bound to very strict compliance with the views and supposed interests of the mother country. The people of Canada, for instance, were restricted from obtaining articles of silk manufacture from France; and those of the British West Indies, provisions and lumber from the United States; in order that the manufacturers and merchants of this kingdom might enjoy an exclusive possession of the colonial markets.

The relaxation of this system, as regards the colonies, was effected gradually, and by a series of legislative measures, while, at the same time, the principles of free trade were making progress in the commercial legislation of the mother country itself; and, after prolonged discussion, the final triumph was achieved by the Act of 1849, commonly known as the Act for the Repeal of the Navigation Laws.

Thus the protection which it was in former times thought expedient to grant to British industry against foreign competition in the colonial markets, and that which was accorded to the colonies in the home market, have been removed by the adoption of principles of legislation more enlarged in their scope and tendency.

And while we have ceased to impose duties for the purpose of protection to the British producer in the home market, no attempt is made to prevent the colonies from admitting, upon equal terms, to their markets, the British, the foreign, and the colonial producer.

But this policy of freedom for the producer and the trader, as well as the consumer, would be seriously affected, if colonial Legislatures were to establish differential duties in favour of their own natural productions or manufactures, whether against the British or the foreign producer. And a similar violation of the principles of free trade would result if favour were shown, in the legislation of a colony, to one colony over another, by the reduction or total abolition of duties in favour of particular colonies.

In addition, therefore, to the mischiefs apprehended by Lord Stanley, and clearly pointed out in the letter to which I have directed your attention, measures intended to impose differential duties or prohibitory checks upon importation into the colonies, involve a departure from the course of legislation which has been deliberately adopted by the Imperial Legislature, and which has resulted, by all but universal consent, in consequences most favourable to the general prosperity of the community.

An attempt at this period on the part of one, or a few, of the British colonies to separate themselves from the general march of progress towards commercial freedom, would inevitably entail much loss and inconvenience on the particular communities concerned, and could not fail to lower their position and reputation throughout the empire.

In order to guard against these evils, I have to instruct you to withhold your assent to Bills passed by the legislative body of your colony, if they should contain

contain provisions, either in the nature of prohibitions of the importation of articles from elsewhere (unless when public safety may require it), or imposing differential duties, whether on articles of British, foreign, or colonial production, as against similar articles produced in your colony itself, or in favour of one colony against another.

I have, &c.
(signed) *J. Russell.*

— No. 2. —

No. 2. Right Hon. Sir W. Molesworth, Bart., to the Governors of the West India Colonies, 11 August 1855.

COPY of a CIRCULAR DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to the Governors of the *West India* Colonies.

Sir, Downing-street, 11 August 1855.

I HAVE to acquaint you that the attention of Her Majesty's Government has been called to a proposal which has been made for the mutual abolition of Custom duties upon the productions of Canada and of the West India colonies.

In a recent despatch * from the Governor-general of Canada, dated the 20th ultimo, I am informed that the communication in which that arrangement was proposed for consideration emanated from the chairman of a committee of the Legislative Assembly of Canada. It appears, however, that neither the suggestion itself, nor the report of the committee, which was subsequently presented to the Legislative Assembly, has been discussed by the Legislature of Canada, and that it would be premature to suppose that the Executive Government, or the Legislature of Canada are committed to the adoption of the policy therein indicated.

* Page 4.

I transmit to you for your information a copy of a letter from the Lords of the Committee of Privy Council for Trade, to whom a despatch † from the Governor of British Guiana respecting this proposition was referred for consideration.

26 June 1855.

† Page 57.

Her Majesty's Government would regard the proposed arrangement as very objectionable; on the grounds, first, that it would separate commercially, so far as such an arrangement is concerned, the colonies who entered into it from the rest of the empire; secondly, that it would be injurious, not only to the interest of consumers in the colonies, who were a party to the arrangement, but to the interests of producers in every other part of the empire; and thirdly, that it would be inconsistent with the Imperial policy of free trade.

It is the earnest desire of Her Majesty's Government to maintain and extend a course of policy which shall closely unite together by ties of mutual interest the whole of Her Majesty's Colonial Empire with the mother country. To such a policy any measures tending to form the colonies into separate groups with peculiar and exceptional commercial relations, would be opposed, and Her Majesty's Government, therefore, trust that they will not be asked to submit for Her Majesty's approval Acts or Ordinances giving effect to measures of that character.

I have, &c.
(signed) *W. Molesworth.*

Enclosure in No. 2.

Office of Committee of Privy Council for Trade,
Whitehall, 26 June 1855.

Sir,

THE Lords of Committee of Privy Council for Trade have had under their consideration your letter of the 13th instant, transmitting for their observations, by direction of Lord John Russell, copy of a despatch from the Governor of British Guiana, respecting a proposal which had been received from the chairman of a committee of the Legislative Assembly of Canada, for the mutual abolition of custom duties upon the productions of the latter colony, and of British Guiana.

Encl. in No. 2.

I am to request that you will inform Lord John Russell, that the proposal which forms the subject of Governor Wodehouse's despatch, appears to this Board to be open to grave objections.

Since the adoption of free trade as the general principle of the commercial policy of the United Kingdom, it has been the object of Her Majesty's Government, in advising or controlling the legislation of the British colonies in matters affecting trade, to discourage the maintenance or adoption of protective duties in colonial tariffs.

The effect of the arrangement which is now proposed between Canada and British Guiana, would be to protect by discriminating duties, the produce of these two colonies respectively, against similar produce of foreign countries, of all other British possessions, and even of the United Kingdom itself.

If the colonies in question drew from each other exclusively their supplies of particular commodities, the case might have been met by a general abolition of duty upon such commodities whencesoever imported; by which measure the same advantage would have been derived, without the infringement of principle involved in the present proposal. This is, however, far from being the case; on the contrary, it appears obvious that the inducement which has led these two colonies to entertain the project in question, has been the mutual protection which its adoption would secure to their productions; for instance, Canadian lumber would enjoy a monopoly of the market in British Guiana, to the exclusion of the lumber of the United States; and the sugar of British Guiana would undersell the sugar of Jamaica and of Cuba, in the markets of Canada.

An artificial stimulus would by these means be given to the industry of particular localities; and the interest of the consumer in the two colonies would be prejudiced by an arbitrary interference with the free operation of trade.

My Lords are not aware of any exceptional circumstances in the condition of these two colonies, which would justify or render expedient a deviation from general principles in this particular case; and they observe from a despatch* of the Governor of Barbadoes, transmitted in Mr. Merivale's letter of the 22d instant, that a resolution to the same effect has been passed by the House of Assembly in that colony, so that it seems probable, that unless the present measure is discouraged, it may receive an extension which might seriously compromise the system of commercial policy which Her Majesty's Government is anxious to maintain throughout the British empire.

* Page 35.

It is necessary to remember that the proposal now under consideration, derives some colour from the treaty recently concluded between Her Majesty and the United States, providing for the mutual admission, duty free, into the United States and the North American Provinces, of certain articles of their respective produce.

In sanctioning this convention, it cannot be denied that Her Majesty's Government deviated from the rule which forms the fundamental principle of their recent commercial policy, but the political motive which determined them to adopt this course upon the occasion in question, was of a kind to counterbalance and outweigh considerations of purely commercial expediency.

Whether any such exceptional grounds exist in the present case, it is for Lord John Russell to decide; but in their absence, my Lords would recommend that the Governor of British Guiana should be informed that Her Majesty's Government cannot assent to a proposition of the kind under consideration.

I am, &c.
(signed) *James Booth.*

CANADA.

Correspondence with the Governor-General of Canada.

— No. 3. —

No. 3.
Governor-General Sir E. Head to The Right Hon. Lord J. Russell, 20 July 1855.

(No. 88.)
COPY of a DESPATCH from Governor-General Sir *E. Head* to the Right Honourable Lord *John Russell.*

Government House, Quebec, 20 July 1855.
(Received, 6 August 1855.)
(Answered, 16 August 1855, No. 18, p. 35.)

My Lord,

SOME misapprehension appears to have prevailed with reference to a proposal said to have been made on the part of Canada, for establishing free commercial intercourse between this province and the British West Indies.

Mr. Drummond, 28 June 1855.
5 July 1855.

The enclosed copy of a report to me by the Attorney-general for Canada East, and of a despatch addressed by me to his Excellency Sir William Colebrooke, Governor-general of Barbadoes, &c., will explain the nature of the position apparently assumed by Mr. Merritt. I also enclose a printed copy of the report made by Mr. Merritt's committee, which contains copies of the circulars forwarded by that gentleman. I was not aware that any such step had been taken, until I received the communication from Barbadoes, to which my despatch is a reply.

I have, &c.
(signed) *Edmund Head.*

CANADA.

Enclosure 1, in No. 3.

Memorandum.

With reference to the despatch from Barbadoes, I would respectfully submit, for the consideration of his Excellency the Governor-general, whether, after defining Mr. Merritt's true position in the matter, and declining to assume any responsibility, or make any pledge on behalf of the Government of Canada, his Excellency would not deem it necessary to assure the Governor of Barbadoes that the resolutions adopted by the Legislature of that island will be duly laid before our Parliament at its next Session. These resolutions, especially those passed by the Lower House, are so drawn, as to give them the appearance of proceeding from a spontaneous impulse of the House. Moreover, they will most assuredly be called for, if not laid on the table at an early period of the Session. Encl. 1, in No. 3.

I have, &c.
(signed) *L. T. Drummond.*

Respectfully submitted for your Excellency's perusal and directions.

28 June 1855.

Enclosure 2, in No. 3.

Sir, Government House, Quebec, 5 July 1855.

In answering your Excellency's despatch of the 3d of May last, it is essential that I should first define Mr. Merritt's true position, which has, in some degree, been misunderstood by the authorities of Barbadoes. Mr. Merritt was the chairman of a committee of the Legislative Assembly of Canada, appointed to inquire into the commercial intercourse between Canada and Great Britain, the West India Possessions, the United States, and other foreign countries. That committee made a report, which in the usual course, was ordered to be printed for the information of the House; but at the time of the Prorogation, neither such report, nor its subject-matter, had been discussed by the Legislature. I feel convinced that Mr. Merritt's communication must have originated in some error, inasmuch as he could not, as simple chairman of a committee of inquiry, have wished to supersede the Executive Government, or have desired to commit beforehand the whole Legislature of Canada to some definite line of policy on so important a subject. On my own part, I must disclaim the responsibility of pledging the Legislative Assembly to any particular course, until they shall have had an opportunity of discussing the communications with which your Excellency has favoured me, on behalf of the Government of Barbadoes. Encl. 2, in No. 3.

I shall take care, however, to lay before the Canadian Legislature in the course of their next Session, the papers forwarded by you, and I can assure your Excellency that it will give me in every way the greatest pleasure to promote friendly intercourse between this Province and the British West Indies.

I have, &c.
(signed) *Edmund Head.*

His Excellency
Sir W. M. G. Colebrooke, K.H., &c. &c. &c.
Barbadoes.

Enclosure 3, in No. 3.

Report on Trade and Commerce.

Committee Room, Legislative Assembly,
26 May 1855.

The Committee appointed to inquire into the Commercial intercourse between Canada and Great Britain, the British North American Colonies, the West India Possessions, the United States, and other Foreign Countries, beg leave to report: Encl. 3, in No. 3.

That circulars were addressed to the Secretaries of the different Governments of the colonial posessions of Great Britain in America to ascertain whether, in their judgment, the adoption of a free commercial intercourse, similar to that which exists between the different States of the American Union, would promote the prosperity of the colonies, and induce a direct trade by the St. Lawrence. App. A., Nos. 1 to 21, p. 11.

Circulars were also addressed to the different Boards of Trade, as well as to the prominent individuals in this Province, for the purpose of ascertaining, first, whether foreign articles were furnished to the consumer in the United States at less prices than in Canada; and, secondly, whether the encouragement of manufactures would promote the general interest; and, if so, what legislative action would, in their judgment, best attain that object. App. A., No. 23, p. 11.

CANADA.

After examining the answers, statements, and official returns appended hereto, your committee proceeded to consider the different subjects in the following order:

I. *The intercourse between Canada and Great Britain.*

This trade has been subject to sudden and frequent changes for many years past, as fully pointed out in the able report of Mr. Andrews in 1853. Under the Canadian tariff of 2½ per cent. and discriminating duties, it increased in a ratio of three to one over that from the United States. Since the change in the colonial commercial policy of the Imperial Government it has decreased in the same proportion as compared with that of the United States. However, it continued to increase in imports from 1,669,003*l.* in 1849, to 5,740,832*l.* in 1854; and in exports from 1,348,424*l.*, in 1849, to 2,719,179*l.* in 1854, although almost wholly confined to timber. Of the total exports of 2,246,164*l.* in 1853, only 524,047*l.* were the product of the mine, the sea, and of agriculture.

App. B., No. 1, p. 22.

Although various reasons have been assigned for the comparative diminution of this trade, still no effectual remedy has been adopted to check it. The St. Lawrence Canals were constructed at a large public expenditure for the purpose of drawing the trade of the Western States to the ports of Montreal and Quebec. They have not only failed in attaining that object, but even the trade of Western Canada itself, on and above Lake Ontario, has been diverted to the ports of New York and Boston. Prior to 1847 public opinion was directed to the repeal of the Navigation Law; but even when that took place, and competition by sea was offered to the vessels of all nations, no visible benefit accrued to the St. Lawrence Canals. Great expectations are still held out that the competition by American vessels under the reciprocal treaty will produce a change; but so long as this trade is confined to its present narrow limits, the north side of the St. Lawrence, and so long as public bounties continue to favour the port of New York, and the natural facilities which the St. Lawrence possesses continue to be neglected, so long will our efforts to regain this trade be unavailing. But your committee is convinced that so soon as the natural advantages of the St. Lawrence route to the ocean are well understood, the area of its commerce will be extended.

A vessel carrying flour or other produce may, at this moment, descend from the head of Lake Superior or of Michigan to the port of Quebec, with a larger cargo in less time, and at less cost, than she can go to any other Atlantic port, the price from Chicago, or from any intermediate port on Lake Michigan or Erie, being nearly one-half less than to the port of New York. But the difference in the price of ocean freights from those two ports respectively to Liverpool is sufficient not only to counterbalance the advantage in favour of Quebec of the cheap transport from the interior, but to give to New York a decided superiority as a port of export on the whole voyage from the West to England, and thus the entire foreign trade of the Lakes, which nature has designed should seek Quebec as a port of ocean shipment, has been diverted into the hands of its rival. One of the principal causes of this superiority is apparent. The bounties given by the Governments of Great Britain and of the United States to the splendid ocean steamers between New York and Liverpool have compelled the regular lines of packet ships, which formerly engrossed the business now done by those vessels, and which did it without subsidy from Government, to seek for other employment. Thus a marine, on which many millions of capital had been expended, was suddenly transferred to the emigrant and ordinary trade between those ports, and by their competition reduced the outward freights to ballast prices.

While your committee would recommend no effort to be made for the purpose of counteracting the natural advantages the port of New York possesses during the winter season, every exertion should be made to regain a portion of this foreign trade during the summer months.

The magnitude of the navigable waters flowing along a coast of several thousand miles in extent are represented by the accompanying sketch. The area of country capable of supplying commerce to the Lakes is estimated by Mr. M'Alpine at 555,000 square miles. Although but a small proportion of it is yet settled, it furnishes at this time a supply of one-and-a-half millions of tons, and has doubled its produce within the last five years. The trade of this boundless country, including that lying west of Lake Superior, which in a few years will be intersected by railways to the base of the Rocky Mountains, and in due time to the Pacific Ocean, will warrant any judicious expenditure to facilitate and cheapen transportation by the St. Lawrence. The removal of the obstructions between Lakes St. Francis and St. Louis, recently surveyed by Messrs. Maillefert and Raasloff, and enlarging the locks on the provincial canals, would open this navigation throughout to the ocean for steamers of the largest class, and reduce the interior freights to minimum prices. While, on the other hand, the discontinuance of the public bounty between Liverpool and New York, or the giving of aid to the same extent between Quebec and Liverpool, for building up a marine of equal capacity and speed, would reduce the ocean freights in the same proportion, and bring back the trade to its natural channel, great encouragement would also be given towards the establishment of so desirable an object by the construction at Quebec of tidal docks, for which the greatest facilities exist, and the revenues from which, when made, it is expected, would amply repay the cost.

These improvements, in connexion with daily lines of steamers to Chicago, would inevitably secure for the St. Lawrence the trade of the great West against any successful competition from any other quarter, during the six months of summer, for all future time; and there is no part of Canada that is not as much interested as another in extending the aid of provincial credit for providing the facilities which your committee now ventures to suggest.

II. *The*

II. *The Commercial Intercourse between Canada and the other British North American Colonies.*

The value of the trade with these possessions amounted in 1851, to 373,007*l.*; in 1854, 554,001*l.*, of which 149,082*l.* were imports, and the duties thereon 26,691*l.* Sugar and molasses alone yielded 24,072*l.*, while all other articles paid only 2,619*l.* App. B., No. 1, p. 23. No. 2.

An effort was made in 1853 by a committee of your honourable House to open a communication with these colonies, with a view of furnishing the Legislature with annual statements of the resources and returns of the trade and of the customs duties collected by each. A tabular statement was prepared, from which it appeared that the population in 1851, including Canada, numbered 2,297,219; the revenue from customs amounted to 976,938*l.*, being an average per head for Canada of 8*s.* 2¼*d.*, New Brunswick 10*s.* 11¾*d.*, Nova Scotia 6*s.* 7¼*d.*, Prince Edward's Island 5*s.* 8¼*d.*, and Newfoundland 14*s.* 7¼*d.* No. 3, p. 25.

A circular was addressed to the Secretary of each Government (a copy of which will be found in Appendix), but no replies have as yet been received from them. App. A., Nos. 1 to 21, p. 11.

Whether from the geographical position of the British possessions in America, a free intercourse would increase their direct trade, can only be ascertained by giving it a fair trial. From the favourable position the Northern Provinces occupy between the Mediterranean, the West Indies, and the Western States, your committee are of opinion that the agricultural production of the West would be exchanged at our ports for the productions of the East, in addition to their lumber and fish, furnishing return cargoes, and opening a direct and apparently profitable trade. Their shipping interest would possess the advantage of employment in the inland navigation during summer, and on the ocean during the winter.

Your committee would, under all these circumstances, recommend therefore a free commercial intercourse between Canada and the neighbouring provinces of North America.

III. *Commercial Intercourse between Canada and the British West India Islands.*

In 1854 the value of West India productions imported amounted to 333,970*l.*, of which only 621*l.* came direct from the British possessions, 54,481*l.* from foreign islands, and 59,607*l.* through Nova Scotia, Newfoundland, and Prince Edward's Island in all, *viâ* the St. Lawrence, 114,709*l.*, leaving 219,261*l.* to reach Canada through the United States. It will thus be seen that the direct trade between Canada and the British West Indies, by the way of the St. Lawrence, which a few years ago was in a flourishing condition, has almost disappeared. App. B., No. 4, p. 27.

Circulars were addressed to the different Colonial Secretaries, with a view of ascertaining whether, in their opinion this trade could, by a removal of all duties be revived, and the replies received are favourable. App. A., Nos. 1 to 21, p. 11. Nos. 28 to 36.

IV. *Commercial Intercouse between Canada and the United States.*

In 1846 the Imperial Government changed her colonial commercial policy, and the markets of Great Britain were thrown open to the products of the United States without stipulating that they should receive the products of the British provinces on the same terms. This change established two prices for agricultural productions on the frontier; the grower in Canada, according to the course of trade, receiving 20 per cent., or the amount of the duty, less than the grower in the United States. Notwithstanding this difference in the value of the natural productions of the two countries (which are now admitted free, under the reciprocal Acts of 1854), imports into the United States from Canada increased from $642,672 in 1848 to $6,097,204 in 1854; duties from $118,330 to $1,243,403; and the imports into Canada from the United States from $984,604 in 1848 to $2,180,084 in 1854; duties from $63,640 to $196,671; showing an increase in the former, during a period of six years of over ten to one, and in the latter for the same period of two to one, and upwards. We also find a striking increase in foreign importations through the United States. The imports for Canada direct, passing through under bond in 1854, were 1,336,770*l.*, the amount purchased by Canada in bond in the United States, under their warehousing system 299,428*l.*, the value of goods purchased in the United States, on which a duty was paid there, and a second duty here, 144,021*l.* the value of the goods not subject to duty in the United States, 230,606*l.* App. B., Nos. 5 & 6, pp. 27 & 28. Nos. 5 & 7, pp. 27 & 29. App. B., No. 8, p. 30.

These figures give the value of our importations from beyond sea through the United States at 2,010,825*l.*, to which add importations of their domestic manufactures 2,835,525*l.* and it would appear that the total imports from the United States into Canada had increased to 4,846,350*l.*, and the exports to 2,604,320*l.*, or a grand total of 7,450,670*l.*; while the imports into the United States through Canada from sea amounted only to 261,991*l.* App. B., No. 9, p. 30. No. 8, p. 30. No. 1, p. 23.

Mr. M'Alpine, in his report of 1852 and 1853, estimates the amount of tolls collected on the productions of Canada, passing over the New York canals, at $300,000 per annum. Only 31,561*l.* of the above exports were in square timber; the remainder were the productions of the soil, and sawn lumber. This rapid increase of the traffic and trade through the United States and consequent decline of traffic *viâ* the St. Lawrence is entitled to deep attention.

The statements Nos. 10 and 11 exhibit the annual increase of the trade between the two countries, in the United States since 1830, and in Canada since 1849. App. B., Nos. 10 & 11, pp. 31 & 32.

The very able report of the Hon. James Guthrie, Secretary of the Treasury of the United States, contains numerous tables, not only confirming this increase, but affording useful information relating to the foreign and domestic trade of the United States. Their imports in

CANADA.

in 1854 were $304,565,381, exports of foreign and domestic goods $278,241,064, leaving an excess of imports over exports of $26,324,317. This excess he estimates to be fully covered by the precious metals brought by immigrants, by profit on exports, and by ships engaged in the foreign trade.

He recommends the reduction of the present tariff, consisting of eight different schedules, ranging from 5 to 100 per cent. *ad valorem*, to two schedules of 25 and 100 per cent. respectively; also the removal of duties on all raw materials used in manufactures, consisting of 197 articles, to correspond with Mr. Gladstone's reduction of the English tariff of 1843.

In calling the attention of Congress to this reduction, Mr. Guthrie says: "In recognising as I do the principle that duties should be levied for revenue, and not for protection, I have considered it no departure from this principle to counteract the legislation of other countries, and make the same articles free under our laws that are free under theirs." He proves from the tables exhibited that the proposed reduction will leave an ample revenue to discharge the public debt, pay the expenses of Government, and allow a reduction of taxation from $58,072,390 to $47,709,320.

V. *Commercial Intercourse between Canada and other Foreign Countries direct.*

The trade of Canada from the sea-coast of Labrador to the head of Lake Superior is naturally directed to Great Britain or to the United States, where, under their drawback systems, the productions of the world centre, and are furnished at the lowest prices. At no distant day, the competition for the foreign trade of the Western States will be between the direct route of the St. Lawrence and that by the Atlantic ports of the United States, the latter being subject to a transhipment at Buffalo and other lake or river ports. In 1853, the value of this trade into Canadian sea-ports amounted, in imports, to 268,507*l.*; exports, 52,448*l.*; in all, 320,995*l.* Insignificant as it is at present, it should not be lost sight of; for so soon as the connexions of our lakes and rivers are completed, a direct trade must spring up between the interior and all parts of the world, the extent of which it would be difficult to estimate.

General Remarks.

The object of this investigation is to point out the position of the inhabitants of Canada, as compared with that of the people of the adjoining States, with the view of placing them on a footing not less favourable.

By the reciprocity Acts of 1854, this has been accomplished, so far as the grower is concerned, but not so as regards the consumer. To attain the same advantages for the latter, your committee have examined the different tariffs of the two countries, which exhibit the different commercial policy pursued, and the different results produced. In Canada, for instance, tea, coffee, and other articles in general use, are subjected to duty, while in the United States they are admitted free. In Canada, such manufactured articles as should be produced by the industry of our own people are chargeable with a duty of 12½ per cent.; in the United States, from 20 to 100 per cent.; confining the comparison to the staple manufactures of cotton, woollens, and iron. In 1853, the importations of these articles into the United States amounted to $80,457,259, averaging $3. 20 for each inhabitant; while the like manufactures imported into Canada amounted to $7,885,076, averaging for each inhabitant $3. 50 per head. The amount of those imports were in the following proportions, from different countries; viz., Great Britain, $5,819,892; United States, $2,030,904; all other parts of the world, $33,868. This result proves that the United States furnishes us with from one-third to one-fourth of those articles cheaper than we can procure them elsewhere. The total value of foreign merchandize imported into the United States was $304,561,381; duties thereon, $58,072,390; being an average consumption, for a population of 25,000,000, of about $12; and average duty $2. 25 per head. The imports into Canada, of corresponding articles, amounted to $40,529,324, and the duties to $4,900,192; being, for a population of 2,000,000, $20 for the former, and $2. 50 for the latter, per head. From which it appears that the inhabitants of Canada individually consume double the amount of foreign imports, and pay higher duties, than the inhabitants of the United States.

App. B., No. 1, p. 23.

Manufactures.—The entire capital invested in the various manufactures in the United States, on 1st June 1850, amounted in round numbers to $500,000,000; the value of raw material manufactured was $550,000,000; the amount paid for labour, $240,000,000; the value of the manufactured articles, $1,020,300,000; the number of persons employed was 1,050,000. The amount of home manufactured articles exported by them in 1854, was $64,242,073, of which $38,062,570 was gold and silver coin.

App. A. 43, p. 22. Letter from W. Hatton, Esq., Bureau of Agriculture.

The capital invested in manufactures in Canada, or the value of the articles manufactured, cannot be given with any degree of accuracy, as the census returns merely give the number of saw-mills, and manufactures from wood, flouring-mills, grain and various descriptions of machinery incident to all new countries; but give no information as to the value of the material. The exports of manufactured articles amount to $140,424, of which $107,832 are to the United States, consisting of iron, woollens, wood, straw-hats, rags, ground plaster, and a few other articles; showing that under our present policy capital has not been invested in the manufacture of cotton, wool, or iron, to any extent.

The principal cause of the excess of foreign importations into Canada, in proportion to its population, over those of a similar kind into the United States, arises from the fact that such

such articles are not produced here to any extent, while in the United States they are manufactured in such quantity as to meet a certain proportion of the demand for them: and yet, if there is a country in the world where such manufactures could be expected to flourish, it is Canada. Water power is distributed over the province in profusion, and the supply unlimited. The climate, owing to the long winters in Lower Canada, during which the population are unemployed, insures a supply of labour at low prices; and the exports of straw hats and bonnets is an evidence at least of the desire for employment amongst its inhabitants, which might be turned to more profitable account.

Your committee can see no good reason why the same legislative encouragement in Canada should not produce the same results as it has done in the United States. This subject, however, does not seem to have attracted much public attention in Canada, as only one Board of Trade, and but very few individuals, have furnished the committee with their views upon it.

The replies received recommend the increase of duties on the importations of all articles which can be manufactured in Canada, and a reduction on all raw material required for the same; as also a reduction of the duties on those articles in general use, which cannot be produced here. App. A., Kingston Board of Trade, 27 also, 28 to 31.

Concurring in the opinion of the Secretary of the Treasury of the United States, that it is no departure from the general principle of free trade to counteract the legislation of other countries, your Committee recommend that the principle of reciprocity in our commercial legislation be extended to the productions of manufactures, as well as those of agriculture; and that the same rate of duties be imposed on the manufactures of the United States as are imposed by that Government on the manufactures of Canada.

Revenue.—The operation of our present drawback or bonding system is not generally understood.

In Great Britain and the United States, where large amounts are warehoused and again re-exported to foreign countries, this system confers great advantages on the shipping interest, and indeed on every branch of commerce.

In the United States, the imports from Great Britain and her possessions alone, amounted to $163,018,095, of which an amount of $15,744,891 was re-exported.

But the warehousing system, it seems to your committee, is only required where re-exportation is meant to take place, and is not adapted for a purely internal trade. It renders necessary the erection or renting of numerous buildings for the purpose of storage and delivery of goods, with all the consequent expense of attendants of every description, thus creating a heavy charge upon the public, while the only object it can possibly secure in this country, is the saving of a small sum of interest to the importer on the duties he would have to pay, if exacted from him at the time of importation. But it appears to your committee, that the old system of extending a credit to the importer, on his giving bond for the payment of the duty, is a much more economical one for the public, and better adapted to the trade of this province. It will be for the Government to consider whether it would not be well to revert to it, as it would not only render unnecessary the heavy expenses of warehousing, but would also remove any objection the importer might have of paying interest on duties before the goods had entered into actual consumption, such reasonable delay being given as would afford time for their sale to his customers.

There are only 17 principal ports on the frontiers in the United States bordering on Canada, and during a period of 24 years (since 1830), an increase of only one has been made. Whereas there are 74 ports on the frontier in Canada, bordering on the United States, including 30 additional ports created since the year 1841, or during the period of 13 years. App. B., No. 10. No. 11.

In the United States the expenses of collection increased from $84,241 in 1830 to $137,189 in 1848, exceeding the whole amount received by about $400,000. During this period of 19 years the revenues increased from $63,204 to $1,052,368.

In Canada the expense of collection increased from $45,584 in 1841 to $239,016 in 1854; and the estimates for the present year have reached $280,000, while the revenue has increased from $903,336 to $4,900,768. App. B., No. 11.

These tables exhibit the relative increase of imports, revenue, and expenses of collection at each port and at different periods. Nos. 10 & 11.

Under the existing laws of the United States and Canada the duties on merchandize under bond, in passing through either country, cannot be evaded. The article must be entered at the sea-port where landed, and bonds given for the payment of the duties, to entitle them to the drawback on the goods being re-exported. A few ports of entry, therefore, at the most prominent points on the boundary of the two countries would be sufficient to protect this revenue on foreign imports through the United States, as well as on the manufactures of that country; but this necessity for ports of entry in the interior does not seem so obvious to your committee, nor, if the old system of giving bonds for duties were restored, would such establishments be required for the warehousing of goods under Her Majesty's lock.

The Trade and Navigation Returns referred to in most of the above statements were introduced in 1849, and your committee have found them useful for reference, and as recording the progress of foreign trade. But the statements enumerating the articles passing

CANADA.

App. V. 21 & 22

ing the canals and locks in the interior, occuping 32 pages of the Trade Report, would naturally be looked for in the Report of the Commissioners of Public Works, to which they more properly relate.

Tables will be made out in future, showing the course of trade with all foreign countries direct with the St. Lawrence and through the United States; also the Value of foreign goods on which duties have been paid in the United States, and again in Canada. The Committee would suggest the propriety of those statistics being accompanied with a written report similar to that of the Secretary of the Treasury of the United States, which is required by law to be published annually. Such a report would point out from year to year the course of trade, suggest further improvements, and afford general information on one of the most important subjects to which public attention can be directed.

Revenue from Tolls on Provincial Works.—From the diversion of the trade of the Western States and Western Canada to New York, the tolls on the St. Lawrence Canals scarcely pay the cost of management and repair.

In connexion with this subject the attention of the committee has been naturally directed to the efforts still making by the State Government of New York to enlarge the Erie Canal, for which work an appropriation of $10,000,000 has been made, with the view of lessening the cost of transportation, and retaining the trade of the West. At present an annual sum of one-and-a-half million of dollars is set apart from the canal revenue, in order to liquidate the principal of the State debt, and the toll of 22½ cents is levied on every barrel of flour passing through the canal, to enable that appropriation to be made. This toll, added to the forwarder's charge of from 28 to 38 cents, makes the whole expense of bringing a barrel of flour to tide-water, through the Erie Canal, to 50 or 60 cents at this time. But should no diversion of the trade be effected from this channel to the St. Lawrence, it is obvious that a few years will suffice to pay off the State debt, now amounting to about $22,000; and when this is effected, the toll may be reduced to two cents, and the consequent total charge for transport of a barrel of flour to 30 or 40 cents only; and if a larger class of vessels be used, that charge may be still further reduced to 25 or 30 cents from Lake Erie to New York. To counteract this inevitable result, the construction of a canal from the St. Lawrence to Lake Champlain has become a necessity, inasmuch as it would divert all that portion of this trade which now looks to the Eastern States for consumers, and would thus not only prolong the period of the payment of the New York Canal debt, but enable this province to raise as large a revenue on the Canadian canals as can be realized on the New York canals, or about $3,000,000. The receipt of such an amount, or of any large portion of it, would effectually aid the sea trade by the St. Lawrence, inasmuch as no tolls are collected on the lower portion of that river, and the revenue derived by means of the Champlain route would enable the Government to diminish the expenses on other branches of trade by Quebec. Your committee would, therefore, most earnestly recommend the early commencement of that undertaking.

They are also of opinion that the removal of duties on cheap, heavy and bulky articles by the St. Lawrence, will increase importations for the Western States, and consequently the tolls on the provincial canals, to an amount that would amply compensate for any diminution of revenue at the Custom-house, arising from such a step.

From the above statements your committee submit for the consideration of the Legislature:

1st. The removal of all duties on the productions of the British Possessions in America, imported by the St. Lawrence, on precisely the same principle as between the different States of the Union.

2d. That the principle of reciprocity with the United States be extended to the productions of manufacture, to the registration of Canadian and United States built vessels, and to the shipping and coasting trade, in the same manner as to the productions of agriculture.

3d. That an address be presented to Her Majesty, praying that the bounty on steamers between Liverpool and Boston may not be renewed after the expiration of existing contracts, or that an equivalent bounty be given to the St. Lawrence for six months of the year.

4th. The removal of all duties on cheap, heavy, and bulky articles by the St. Lawrence.

5th. The deepening of the channel between Lakes St. Francis and St. Louis, immediately, and the extension of liberal aid towards the building of tidal docks at Quebec.

6th. The construction of the St. Lawrence and Champlain Canal, with locks of the same dimensions as Sault St. Marie, as soon as possible.

7th. The extension of a credit to the importer, so as to admit of a reduction in the number of inland ports of entry, and in consequent expense to the public.

All of which is respectfully submitted.

(signed) *Wm. Hamilton Merritt,*
Chairman.

Appendix (A.)

INDEX.

Copy of Circular Letter to the Colonial Secretaries of British North America and the West India Islands; viz.

		PAGE
No. 1.—New Brunswick	J. R. Partelow, Esq.	12
No. 2.—Nova Scotia and Cape Breton	Hon. Joseph Howe	12
No. 3.—Prince Edward's Island	Francis Longworth, Esq.	12
No. 4. Newfoundland	James Crowdy, Esq.	12
No. 5. Jamaica	W. G. Stewart, Esq.	12
No. 6.—Trinidad	T. F. Johnstone, Esq.	12
No. 7.—Barbadoes	James Walker, Esq.	12
No. 8.—The Bahamas	Hon. C. R. Nesbitt	12
No. 9.—The Bermudas	R. Kennedy, Esq.	12
No. 10.—British Guiana	William Walker, Esq.	12
No. 11.—Honduras	J. C. Berkeley, Esq.	12
No. 12.—Antigua	Anthony Musgrave, Esq	12
No. 13.—Montserrat	E. D. Baynes, Esq.	12
No. 14.—St. Christopher, &c.	R. M. Ramsay, Esq.	12
No. 15.—Nevis	T. Slater, Esq.	12
No. 16.—Tortola and the Virgin Isles	G. H. A. Porter, Esq.	12
No. 17.—Dominica	W. H. M'Coy, Esq.	12
No. 18.—Grenada	O. Rowley, Esq.	12
No. 19.—St. Vincent	John Beresford, Esq.	12
No. 20.—Tobago	John Thornton, Esq.	12
No. 21.—St. Lucia (includes Demerara)	J. N. Drysdale, Esq.	12
No. 22.—Copy of Letter to the Secretary of the Government of Cuba		12
No. 23.—Copy of Circular to Secretaries of different Boards of Trade, and different persons in Canada		12
No. 24.—Copy of Letter to R. S. M. Bouchette, Esq.		13
No. 25.—Reply from the Hon. Joseph Howe, Provincial Secretary, Halifax, N. S. 12 January 1855		13
No. 26.—Answer thereto		14
No. 27.—Reply from A. Mitchell, Esq., Deputy Colonial Secretary, Prince Edward's Island. 3 March 1855		14
No. 28.—Reply from John Kennedy, Esq., Colonial Secretary, Bermuda. 13 February 1855		14
No. 29.—Reply from Hon. James Walker, Colonial Secretary, Barbadoes. 28 February 1855		14
No. 30.—Reply from A. Musgrave, Esq., Colonial Secretary, Antigua. 28 February 1855		15
No. 31.—Reply from W. G. Stewart, Esq., Secretary, Jamaica. 25 January 1855		15
No. 32.—Reply from George H. A. Porter, Esq., Tortola. 28 February 1855		15
No. 33.—Reply from S. Mitchell, Esq., Acting Secretary, Grenada. 27 February 1855		15
No. 34.—Reply from W. C. Lamond, Esq., Acting Secretary, Nevis. 13 March 1855		16
No. 35.—Reply from G. Milne, Esq., Colonial Secretary, Belize. 14 February 1855		16
No. 36.—Reply from E. Eyre, Esq., Lieutenant-governor, St. Vincent. 10 April 1855		1
No. 37.—Reply from Kingston Board of Trade. 23 January 1855		17
No. 38.—Reply from William Lyman & Co., Montreal. 4 January 1855		18
No. 39.—Reply from M. Child, Esq., Stanstead. 20 January 1855		18
No. 40.—Reply from James Morrison, Esq., Collector of Customs, Coaticoke. 14 February 1855		19
No. 41.—Reply from C. Hatch, Esq., Kingston. 23 March 1855		20
No. 42.—Reply from R. S. M. Bouchette, Esq. 23 March 1855		22
No. 43.—Reply from William Hutton, Esq., Bureau of Agriculture. 10 April 1855		22

Nos. 1 to 21.

Legislative Assembly, Committee Room,
Quebec, November 1854.

Sir,

A COMMITTEE having been appointed to inquire into the present state of the commercial intercourse between Canada and Great Britain, the British North American possessions, the West India colonies, the United States, and other foreign countries, they are desirous to be informed whether in the event of a removal of every restriction and duty on the natural productions of the island of Newfoundland, your Government are prepared to remove the duty on the productions of Canada by the St. Lawrence immediately, or within a given time.

The object in view is to ascertain whether it is the mutual interest of the British American colonies to establish the same freedom of commercial intercourse between them, which exists between the different states which compose the American union.

I have, &c.
(signed) *Wm. H. Merritt,*
Chairman of Committee.

To the Secretaries of British North American Colonies
and British West India Islands.

No. 22.

Legislative Assembly, Committee Room,
Quebec, November 1854.

Sir,

I HAVE the honour to inform you, for the information of the Governor-general of Cuba, or the proper authority to address on the subject, that a committee having been appointed to inquire into the present state of the commercial intercourse between Canada and Great Britain, the British North American possessions, the West India colonies, the United States, and other foreign countries, the committee are desirous to ascertain whether in the event of all duties and restrictions being removed on their productions, when admitted into Canada by the St. Lawrence, your Government will remove the duties on the productions of Canada when admitted into Cuba, if not immediately, within a given time.

An answer directed to me at the city of Quebec, on or before the 1st of March next, will oblige.

Your, &c.
(signed) *Wm. Hamilton Merritt,*
Chairman.

To Secretary, Governor-general of Cuba.

[Circular.]

No. 23.

Legislative Assembly, Committee Room,
Quebec, 4 December 1854.

Sir,

A COMMITTEE having been appointed to inquire into the present state of the commercial intercourse between Canada and Great Britain, the British North American possessions, the West India colonies, the United States, and other foreign countries, will you have the goodness to point out what legislative provisions would, in your judgment, best promote the trade with either of those countries for their mutual advantage. Also inform the committee what are the relative prices at which the following articles are furnished to the consumer at the principal cities, towns, and villages, at any point from Conticooke (on the Portland-road) to Detroit, at or near the boundary line between the United States and Canada, viz., tea, coffee, salt, molasses, and sugar.

Also the prices of the principal articles furnished to the consumer, manufactured from cotton, wool, and iron.

Are the manufactures of these articles equally profitable on both sides of the boundary line?

Would the commercial and the general interests of this province be promoted by encouraging the manufacture of these articles?

If so, what legislative provisions would, in your judgment, best attain that object?

Have the goodness to address your answer to me, at the city of Quebec, on or before the 15th February next.

I have, &c.
(signed) *Wm. Hamilton Merritt,*
Chairman of Committee.

No. 24.

Sir, Committee Room, 13 December 1854.

I WILL thank you to furnish me, for the information of the committee on trade, on or before the 1st day of March next, in addition to the information already called for.

The return of the articles, value and amount of duty received on the importations direct from each separate British possession in North America and the West Indies. What proportion was the natural production, and what was imported and re-shipped here from foreign ports.

Since the first information was received, I find in the report of the Secretary of the Treasury of the United States on Commerce and Navigation for 1853, No. 3, p. 126, general statement of foreign merchandise exported to Canada, not enumerated, which had paid the following duty to the United States:

	$
5 per cent.	185
10 "	6,454
15 "	21
20 "	83,830
25 "	742,972
30 "	431,530
40 "	210
	$ 1,265,202

and under page 128, value of merchandise exported to Canada,

	$
Free from duty	1,188,221
Paying duties	2,635,[illegible]6

I will thank you to inform this committee if you have any means of ascertaining whether we pay duty on that amount, first to the United States, and again in Canada.

I see no returns showing the amount of foreign articles imported into Canada through the United States in bond, in the return of 1853.

It is quite clear that all foreign articles imported into Canada from the United States, not in bond, pay a double duty, and as the duties must exceed $50 on each separate article to be entitled to drawback, it is desirable to ascertain the relative proportion imported from thence under bond and otherwise. A column of foreign articles subject to drawback, another not subject to drawback, and a third for the domestic articles of the United States, appear necessary to give that information.

The committee are also desirous to ascertain the present course of foreign trade, and you will therefore have the goodness to point out what proportion is entered in the Atlantic ports of the United States, from foreign parts, and re-shipped to Canada by sea *viâ* St. Lawrence, and what proportion passes through the interior of the United States by canal or railway, and from which port, New York, Boston or Portland.

With a hope that there is ample time to give this summary statement in the Statistical Report of 1854,

I have, &c.

R. S. M. Bouchette, Esq. (signed) *Wm. Hamilton Merritt,*
Chairman.

No. 25.

Sir, Halifax, 12 January 1855.

I HAVE had the honour to receive your circular of the 3d November. I do not know that I understand the scope of your inquiry. The United States apply to domestic exchange the principle of free trade. They tax foreign commodities at uniform rates, and apply the proceeds to support the national treasury. If the provinces were united as the States are, they might adopt both systems. As matters stand, I apprehend that there may be difficulties not easily overcome. I do not, however, venture to express an opinion until the honourable Chairman's views are further expounded and explained.

I have, &c.
(signed) *Joseph Howe.*

No. 26.

Legislative Assembly, Committee Room, Quebec,
12 March 1855.

Sir,

In reply to your favour of the 12th January and 5th February, requesting further explanation regarding the commercial intercourse between the colonies in British North America and the West Indies, I beg to inform you that the scope of my inquiry was intended to be confined to one point, as far as relates to the province of Nova Scotia. In case the Legislature of Canada should extend the principle of reciprocal exchanges, and receive every article shipped from your province, whether of home or foreign production, free from duty, would your Legislature receive all articles from Canada on the like terms

I do not see any difficulty in those exchanges, and cannot draw the distinction to which you allude. It is quite true the Federal Government is supported from duties on foreign trade, but this reciprocal trade between Nova Scotia and Canada would not prevent your imposing what duties you please, on the productions of other countries.

I have, &c.
(signed) *Wm. H. Merritt.*
Chairman of Committee.

Hon. Joseph Howe, Provincial Secretary,
Nova Scotia.

No. 27.

Colonial Secretary's Office, Prince Edward's Island,
3 March 1855.

Sir,

Your letter of the 30th November last having been submitted to the Lieutenant-governor, I am directed to inform you that the decision of his Excellency in Council limits commercial intercolonial intercourse with this island to the reciprocal admission of all the articles embraced in the reciprocity treaty with the United States, and that a measure is about to be passed by the Legislature of this island for that purpose.

Respecting your inquiry relative to articles being the produce of the Mediterranean and West Indies as commodities of export from here to the ports of Quebec and Montreal at cheaper rates than you can obtain them direct from the place of production, I am to acquaint you that this colony has no direct trade with either of these parts, and is itself dependent for supplies of their products from the lower sister provinces and the United States of America.

I have, &c.
(signed) *A. Mitchell,*
Deputy Colonial Secretary.

Wm. Hamilton Merritt, Esq.
Quebec.

No. 28.

Secretary's Office, Bermuda,
13 February 1855.

Sir,

I have received and laid before the Governor of this colony the letter that I have had the honour to receive from you, dated Quebec, March 1854, expressing a desire "to learn whether, in the event of the productions of the Bermudas being admitted into Canada free from duty, this Government is prepared to remove the duty upon the productions of Canada by the way of the St. Lawrence on the like terms, immediately, or within a given time;" and I have the honour to acquaint you in reply that on a subject so materially connected with the financial arrangements of Bermuda, it is impossible for his Excellency to supply any reliable explanation or answer until he shall have had an opportunity to submit the same to the consideration of the Legislature, which his Excellency will take an early opportunity to do at its approaching Session.

I have, &c.
(signed) *John Kennedy,*
Colonial Secretary.

Wm. Hamilton Merritt, Esq.,
&c., &c., &c., Quebec.

No. 29.

Secretary's Office, Barbadoes,
28 February 1855.

Sir,

I have had the honour to receive, and to lay before the Governor-general your letter of the 30th November last, which was only received at this place on the 24th instant.

His Excellency directs me to state to you that he enters fully into the views indicated in your communication, and that he will take the earliest opportunity of recommending them to the favourable consideration of the Legislatures of Barbadoes and of the other colonies under this Government.

I have, &c.
(signed) *Jas. Walker,*
Colonial Secretary.

The Hon. Wm. Hamilton Merritt, Quebec.

No. 30.

Colonial Secretary's Office, Antigua,
28 February 1855.

Sir,

I HAVE the honour to acknowledge the receipt of your letter of the 30th November 1854.

I regret that I am unable at present to convey an authorized reply to the question which it contains, as it will be necessary for that purpose to submit the subject for the consideration of the Legislature. The temporary absence of the Governor-general from this island on a visit to other portions of his government, and an adjournment of the Houses, prevent my effecting this object in time for a communication by this mail.

The importance of the suggestion presented in your letter will insure for it the most earnest consideration of the local government, and I am disposed to hope that the Legislature will be inclined to concur in such a proposition if it can be carried out.

I have, &c.
(signed) *A. Musgrave,*
Colonial Secretary.

Wm. Hamilton Merritt, Esq., Quebec.

No. 31.

Island Secretary's Office,
25 January 1855.

Sir,

I HAVE the honour to acknowledge your letter of the 30th November last, communicating (as their Chairman) the desire of a committee of the honourable the Legislative Assembly of Canada, to be informed how far a reciprocal removal of duty upon the productions of Jamaica and Canada might be established, and in reply I beg to state that I laid your communication before his Excellency the Governor.

I have, &c.
(signed) *W. G. Stewart,*
Secretary, Jamaica.

Wm. Hamilton Merritt, Esq., Quebec.

No. 32.

Colonial Secretary's Office, Tortola,
28 February 1855.

Sir,

I HAVE much pleasure in acknowledging the receipt of your letter of the 30th November last, by last mail, *i.e.*, 22d instant. In reply thereto I beg to acquaint you that I laid the same before the Governor, whose authority I have for stating that the government of Tortola (which includes all the British Virgin Islands), will be prepared immediately to reciprocate with the government of Canada, in admitting free of duty the productions of Canada by the way of the St. Lawrence.

Should any other information be required I shall be happy to afford it, if in my power.

I have, &c.
(signed) *Geo. H. A. Porter,*
Colonial Secretary.

Wm. Hamilton Merritt, Esq.,
Chairman of the Committee of the Legislative Assembly,
&c., &c., Quebec.

No. 33.

Colonial Secretary's Office, Grenada,
27 February 1855.

Sir,

I HAVE the honour to acknowledge the receipt of your letter, addressed to the late Colonial Secretary of this island, dated the 30th November last, and received yesterday, and having submitted the same to the Lieutenant-governor, he has directed me to state to you that he will have much pleasure in laying the subject thereof to the Legislature at its next meeting, which is appointed to take place on the 1st May next, as it cannot be dealt with by any other than that body.

I have, &c.
(signed) *Samuel Mitchell,*
Acting Colonial Secretary.

Wm. Hamilton Merritt, Esq.,
Quebec, Canada.

CANADA.

No. 34.

Secretary's Office, Nevis,
13 March 1855.

Sir,

Although embracing the earliest opportunity which has been afforded me of replying to your letter of the 30th November 1854, I regret to find that the day on which you desired to be in possession of an answer (the first of March), has already passed.

The illness of the Colonial Secretary has been the cause of your very important communication being withheld from the public of this island until the 5th instant.

No meeting of the legislative houses having taken place since your letter came to light, I am unable to give a satisfactory reply to your inquiry. I must, however, inform you that the bad working of the present system of indirect taxation has been already brought under the notice of the Legislature, and a Bill introduced for the abolition of all import duties.

The successful passing of this proposed measure must still be considered doubtful, but the fact that it has been under serious contemplation induces me to believe that the proposal of a reciprocal abolition of duties between the Province of Canada and the Island of Nevis will meet with a favourable reception from a considerable number of the members of the House of Assembly, when they shall be made acquainted with the substance of your letter.

I have, &c.
(signed) *Wm. C. Lamond*,
Acting Colonial Secretary.

To Wm. Hamilton Merritt, Esq.,
Chairman of Committee Legislative Assembly,
&c. &c. &c., Canada.

No. 35.

Colonial Secretary's Office, Belise,
14 February 1855.

Sir,

I have had the honour to receive and lay before Her Majesty's Superintendent, your letter of the 30th November, requesting me to state, for the information of the committee appointed to inquire into the present state of the commercial intercourse between Canada and other countries, whether in the event of the productions of the settlement of Honduras being admitted into Canada free from duty, the Government here would be prepared to remove the duty upon the productions of Canada upon the same terms.

In reply, I am instructed to acquaint you that when placed in possession of the precise nature of the measure about to be introduced into the Canadian Legislature, the Superintendent will be in a better position to state the extent to which the Government of Honduras are likely to go with the view of establishing a mutual system to promote the freedom of commercial intercourse.

I have, &c.
(signed) *Geo. Milne*,
Colonial Secretary.

Wm. H. Merritt, Esq., &c. &c. &c.,
Quebec.

No. 36.

Government House, Saint Vincent,
10 April 1855.

Sir,

I have the honour to inform you that your letter of the 30th November 1854, addressed to the Colonial Secretary of the Colony, on the subject of admitting into Saint Vincent, duty free, the productions of Canada by way of the St. Lawrence, upon the removal of all duties from the productions of Saint Vincent introduced into Canada, was only received by this Government on the 26th February 1855.

2. On the 28th February I laid your letter before both branches of the Legislature, recommending their assent to the immediate mutual removal of all restrictions upon the commercial intercourse between Canada and Saint Vincent.

3. I have now the honour to transmit a copy of the Speaker's reply on behalf of the House of Assembly, and though I have not yet received any answer from the Council I have no reason to doubt that it will be couched in very similar terms; and as soon as I receive it a copy shall be forthwith transmitted to you.

I have, &c.
(signed) *E. Eyre*, Lieut.-governor.

Wm. H. Merritt, Esq., &c. &c. &c.,
Quebec.

Committee Rooms, Court House,
7 April 1855.

Sir,

I have the honour to acknowledge, on the part of the honourable House of Assembly, Your Excellency's joint message, No. 5, enclosing copy of a letter from the chairman of committee of the Legislature of Canada to the Colonial Secretary of this island, in which inquiry is made, "whether in the event of the productions of this island being admitted into Canada

Canada free of duty, this Government is prepared to remove the duty upon the productions of Canada by the way of the St. Lawrence on the like terms immediately or within a given time."

On the part of the honourable House, I am instructed to reply that, provided the Legislature of Canada excludes the admission of sugar and molasses, the produce of slave labour, from their markets (except at the rates of duty now or heretofore in force), and so long as that exclusion continues, this House will be prepared to remove the duties upon the productions of Canada by way of the St. Lawrence, upon the productions of this Government being admitted free from duty into Canada.

I have, &c.

His Excellency E. J. Eyre, Esq., Lieutenant-governor.

(signed) *J. Clement Choppin*, Speaker.

(A true copy.)

(signed) *George Hammond Hawtayne*, Private Secretary.

No. 37.

Sir, Kingston, 23 January 1855.

Your circular, dated at Quebec, 4th December last, was duly received, and brought under the consideration of the Kingston Board of Trade, by whom the various subjects referred to therein have been carefully and attentively considered, and who respectively submit, for the consideration of your committee, the following observations upon the trade of Canada:

The first question in your circular asks, what Legislative provisions would best promote the trade between Canada and Great Britain, the British North American Possessions, the West India colonies, the United States, and other foreign countries.

First in importance of these is our trade with Great Britain, upon which this Board have no suggestions to make. Our products are, under the free trade policy of that country, admitted at the lowest possible rates of duty, while we admit all raw materials from thence at a merely nominal rate, and only charge upon manufactured goods the duty necessary for revenue purposes.

This Board anticipates important advantages from the reciprocity treaty with the United States, about to come into effect, and would gladly see this principle applied, and similar facilities extended in the exchange of our agricultural and other natural products with those of our sister colonies, and also of all foreign countries.

With a view to open up a direct trade from this country with China and the East and West Indies, a trade which this Board believes would largely promote the general interest, they recommend that when the products of these countries are imported into Canada, direct from the place of growth, a reduction be made of 25 per cent. on the duties otherwise chargeable thereon. This will tend largely to increase the trade by the St. Lawrence, the natural channel for the commerce of this Province, as well as of large sections of the adjoining states of the American Union, and in the prosperity and extension of which all parts of Canada have a deep interest.

This Board have not been able to obtain any satisfactory information as to the relative prices here and in the adjoining State of New York, of tea, coffee, salt, molasses, sugar, and goods manufactured from cotton, wool or iron, nor have they the means of ascertaining whether the manufacture of the goods last mentioned is equally profitable on both sides of the boundary line dividing Canada from the United States.

It is the opinion of this Board, that the commercial and general interests of this Province would be promoted by encouraging the manufacture of certain descriptions of cotton, woollen, and iron goods. In the year 1853 we imported from the United States over 600,000 *l.* worth of these goods, the greater part of which, this Board are convinced, could be manufactured as cheaply in Canada, and they recommend that, with a view to this end, the duty charged upon manufactured goods imported from the United States be the same as is charged by that country upon similar goods, thus placing the manufacturer here upon a footing of equality with his opponent, and without which it is in vain to expect that manufactures will be established in Canada upon the extensive scale required to supply the wants of its inhabitants at the cheapest possible rate. The Board deprecate the encouragement of any description of manufacture relying upon a protective tariff for an increased price for its goods; they only ask fair play for the Canadian manufacturer, convinced that, once fairly established, he can and will supply the goods mentioned, as cheaply as they can be obtained elsewhere. This conviction is not mere opinion, it is based upon the results which have followed a similar system carried out in the United States, when engaged in a manufacturing contest with Great Britain, under circumstances much more discouraging than those under which we are now placed.

As connected in no small degree with the prosperity of the commerce of Canada, this Board desire also to urge upon the Legislature the importance of constructing a canal to connect

CANADA.

connect the St. Lawrence with Lake Champlain, as a means of drawing through our own waters a share of the immense and rapidly increasing trade between the Eastern and Western States, and which cannot be brought so near our principal seaport without producing beneficial results, over and above those flowing merely from the transit of property through the country.

(signed) *John Watkins*, President, } Kingston
David Shaw, Secretary. } Board of Trade.

To the Honourable
W. Hamilton Merritt, M. P. P.
Quebec.

No. 38.

Dear Sir, Montreal, 4 January 1855.

In reply to your circular of the 4th December last, we have to say in answer to the question:

"What Legislative provisions would best promote the trade with either of those countries?" referring to Great Britain, the British North American Possessions, the West Indian colonies, the United States, and other foreign countries:

That generally the best legislative provision is to charge a minimum rate of duty upon all articles imported from the place of growth, being natural products. The effect of this will be to foster our marine, and reduce the cost of freight upon our exports by sea, especially upon lumber.

In reply to the question, "Is the manufacture of these articles equally profitable on both sides of the boundary line?" referring to cotton, wool and iron; we have to say that the manufactures in question are not equally profitable; and, for this reason, the Canadian tariff is not placed on an equality with the American on manufactured articles, and the consequence is, the American manufacturer can avail himself of the Canadian market in addition to his own much more extensive one, while the Canadian cannot avail himself of the American on equal terms.

In answer to the question, "Would the commercial and general interests of this Province be promoted by encouraging the manufacturer of these articles?" we reply, most undoubtedly they would.

In answer to the question, "What legislative provisions would best attain that object?" we reply, that all raw crude products, all such as enter into new combinations of increased value, or are used in manufacturing processes of any kind, should be admitted at a minimum or nominal rate, while all manufactured articles from the United States should be charged the same rate they charge upon similar goods from this country.

Looking at the prosperity of this country as affected by manufacturers, as a whole, aside from, and beyond petty sectional interests, such, substantially, should, in our opinion, be the policy of this country.

We have, &c.
(signed) *William Lyman & Co.*

Hon. Wm. Hamilton Merritt,
Chairman, &c. &c. &c. Quebec.

No. 39.

Sir, Stanstead, 20 January 1855.

In reply to your circular of the 4th ultimo, which I received but a few days ago, I beg leave to remark that I attempt an answer to your questions, which cover the foundation of a trade and manufacturing policy, with much diffidence; and should they suggest anything which may contribute to a wise settlement of that for which you and your colleagues are labouring to perfect, I shall be highly gratified. And, first, our commercial intercourse with the sister colonies in North America is of the first importance, and that it should be as free from obstacles as the circumstances under which they are severally placed will permit. Canada can afford (with her large surplus revenue) to lead the way in making that home trade free in all native produce and manufactures. It is clear that such intimate relations between them and us would cement the elements of our national strength and prosperity to an extent hitherto unthought of by our cotemporaries.

2d. The tariff of duties, except on such articles as are required by our manufacturers, shipbuilders, and fisheries, should be fixed at that point which would not discourage consumption, nor native production, nor industry; yielding the largest amount of revenue, and such articles as tea and brown sugar, which enter into general consumption, should be made free as soon as the revenue will permit.

3d. On articles of luxury a maximum duty could be safely placed, but not so high as to check consumption. Reciprocity will soon develop its effects upon our interests, and contains provisions which are subject to suspension by either of the parties thereto. I flatter myself that, in the end, it will work well for us and our sister colonies. If our alien laws are liberal, Americans, with their skill and capital, will sit down on our superior water power with their machinery, and become denizens of the land. All their property there, and skill, is taxed heavily; and even head money is required of them and their labourers, which is not a small

a small item in their annual expenses. Here, no such burden would weigh them down, only a school and road tax to pay here, which is cheerfully borne by our people, and would be more so by such Americans as would become settlers amongst us. I believe it is an imperative duty that we should set about making trade free with our sister colonies; that the elements of prosperity which we possess, and in fact of national wealth and strength which lie in a great degree uncultivated or unknown within our limits, may be preserved to our own benefit, and ultimately cementing us into one national interest and character.

Our freedom is virtually accomplished. We sustain imperial interests from affection and interest, and our trade and manufacturing policy should be settled on a wise foundation, and we have not to grope our way in the dark. We have examples from the policy of the parent state, and our wise and active neighbours over the border for our guide. I feel a degree of chagrin that our Province shows no more leading ability upon this subject of public policy, and a well digested system of trade and commerce. The elements of national strength and greatness which the British Provinces in North America possess, surpass, in my opinion, the largest conception of our cotemporaries. The expansion to them, which has taken place in Canada, under a little freedom of action, for a few years, though, in my opinion, not as wisely directed as they might have been, proves that under a more efficient direction a vast deal more may be done to develop the riches that lie uncultivated in our soil, our waters, and our mines. Our forests are fast wasting away before the improvident lumberer. The first fruits of our country have already passed away, and our policy should encourage labour not only of the farmer but the mechanic. Whenever these two classes thrive, all other classes in a civilised community will be found thriving. It is not so with those two classes of men who must precede them, the hunter and lumberman. I do not undervalue either of them, but I would wisely adopt our policy of trade and commerce to the encouragement of the former, as the latter have ceased, or are rapidly doing so, while the former are growing strong on the rewards of labour, and under wise legislation would, in my opinion, surpass our active neighbours over the border, in a very short time. I deplore the emigration of our young men, which has been draining Canada for the last 10 years of its best bone and muscle. It ought to cease by better prospects being opened up to the ambition of our sons, and I apprehend that a trade policy, as sound as that of our neighbours, would encourage them to return and remain in the honourable and profitable pursuits of their fatherland. These things have borne heavily upon my mind for years, and my influence has been exercised to promote them. I have seen but little to encourage me. My own children are grown to manhood, and through my influence have not forsaken the land of their birth, but my neighbour's children are chiefly gone to the States, and there become settled. You will not be surprised that I give expression to my wish to see British North America well united in trade and commerce, forming a union of general interest, that will induce a political and civil union to our mutual advantage. Elements of decay already appear in the union of our neighbours, and it would not surprise me if they should ere long work a separation of free from slave states. Our destiny does not call us to mix ourselves up in their intestine conflicts, but pursue diligently the protection and cultivation of the riches which lie in our soil, mines and waters, in doing which we cannot go wrong. The price of articles made of cotton, wool, and iron, of coarse fabric, and the latter, which is used for edge tools, is in favour of the United States, but general hardware and fine fabrics in favour of Britain. Manufactures may be as successfully carried on in Canada under the 12½ duty as in the States, to the extent demanded, and that demand would be increasing as our intercourse enlarged with our sister colonies and foreign countries. They would require the fostering care of the legislature. Whatever is profitably made in the United States may, with less cost, be done here, as the taxes here are so much less upon capital, labour, and skill; hence men from there would, for that reason, be induced to settle here, under our alien laws, which are indeed liberal.

Tea, sugar, salt and coffee, are bought in Boston cheaper than in our own cities.

I do not believe our manufacturing interests require protective duties, over and above the 12½ per cent. now imposed; yet they require the fostering care of Government to free articles they use, or raw material, from time to time.

I have, &c.

Hon. William H. Merritt, Quebec. (signed) *M. Child.*

No. 40.

Custom House, Coaticooke,
14 February 1855.

Sir,

I HAVE the honour to acknowledge the receipt of your circular of 4th December last, and in reply, to state that I am not sufficiently acquainted with the commercial transactions between Canada, and other foreign countries, to offer an opinion as to what Legislative provision would promote their mutual benefit.

The relative price of tea and coffee, in this section of the province, varies but little more than the amount of duty with that of the neighbouring villages in the state of Vermont, until you get 12 or 14 miles into the province, when the price increases. Molasses are retailed about 6*d.* per gallon dearer here, and sugar about 1*d.* the pound.

With regard to the manufactures of cottons, they vary about 20 per cent., being dearer here; stoves and castings, 25 per cent,; Canadian manufactured woollens, about 15 per cent.,

CANADA.

cent. cheaper than that of the United States; the manufacture of which articles, if judiciously carried out, I consider would be advantageous to the Province generally, by creating a home market for agricultural products.

The imports of scythes, hoes, forks and other agricultural implements, from the United States, as well as stoves, is great, the whole of which could be made in the Province, and the admission of raw material free, for their production, would take from the revenue but a small amount.

The traders in this section do not, I presume, realize as large profits as elsewhere, in consequence of the establishment of branches of the New England Protective Union, the members of which, on subscribing three dollars as a joint stock company, can purchase from the establishment goods at an advance of 6 per cent. on cost and charges, and non-subscribers at 10 per cent., which tends to keep down the prices at the other stores.

Good sheetings will sell here at from 9 to 10 cents a yard.

Satinetts, 65 to 80 cents a yard.

Stoves about 7½ cents the pound.

I have, &c.
(signed) *James Morrison,*
Collector.

To W. H. Merritt, Esq., M.P.P., Quebec.

No. 41.

Sir, Kingston, 20 February 1855.

In reference to your circular, dated Quebec, 4th December 1854, I beg leave to offer a reply, trusting that it will be received, and the importance of the suggestions therein contained be duly weighed and considered, in proportion as they may bear upon the present and future interest of these united provinces.

Although I may not answer distinctly and separately the various questions submitted for consideration and opinion, yet I will endeavour to give such a general view of the subjects contained in those queries and of the general principles of the commercial policy of this Province, which require a revision in favour of the most vital and important interests of Canada.

Firstly. The articles of tea, raw sugar and coffee, are articles which enter largely into consumption among all classes; that tea and coffee on the south side of the line are admitted free when imported in United States vessels; that sugar and molasses there are subject to duty on importation, for the protection of domestic interests.

That sugar on the south side of the line is furnished the consumer at a rate varying from 10 to 20 per cent. lower than on the north side, arising from the facts that it is a production of the Southern States.

That salt and tea vary on each side of the line, only so far as the freight and duties when added to the original cost, together with the per cent. of profits chargeable by the dealers on the duties and on the other charges, as well as the original purchase of the article in bond or otherwise.

Wool being the natural production of the country, and its use very extensive, entering largely into the expenses of every portion of the population, the encouragement of its manufacture is therefore to be highly recommended. Various woollen factories are already in operation in Canada, and under favourable prospects; but their ultimate success, their advantage to the country, by supplying their manufactures to the consumers at a low rate, does now and ever will depend in a great measure upon the policy adopted by the Government, to which I shall shortly refer.

Cotton not being a native production would appear at first view, not to warrant the investment of capital in Canada, but when we consider the advantages which a few cotton factories would have when once established, I am decidedly of opinion that capital therein would be good investment, and many advantages arise from such establishments to the community. At the present time the labour of young girls, which is a large portion of the labour required in factories, is perhaps more easily obtained here that in the United States. And to a great extent the young of both sexes would find constant employment, who now are idle and in very destitute circumstances, who have not the opportunity of supporting themselves by their own industry, who would seek and accept such employments thankfully, and thus with their own hands support themselves, and assist their indigent parents. The effects upon the community would probable be an increase in the rate of female servants' wages; and whether such increase of wages would be considered "as building up manufactures at the expense of the community" is a question yet to be determined.

If the Provincial Government would allow the introduction of manufacturing machinery into this Province for the space of two years, free, a great amount of American capital and machinery would be transferred from the United States to Canada, and probably also from Europe.

The various manufactories of iron, of wood and iron, or of wood, are perhaps of more importance to the country than either of the before-mentioned branches. Foundries, factories for various branches of the iron trade, steam engines, locomotives, and railroad cars, are already established to some extent, and yet they may be further extended, so as to meet the full demand, with all due advantage to the country and profit to themselves. Good timber is abundant for the building of railroad cars. Iron and steel may be admitted free. Coal comes under the reciprocity treaty, and also admitted free. Carriages and household

household furniture can be produced here by the free admission of the raw material, on as favourable terms as in the United States.

The great disadvantage under which we labour by the present arrangement between the United States and Canada, whereby we are excluded from sending any of our manufactures to that country, is the low or 12½ per cent. present duty, chargeable here on their productions, thereby creating a sure market for their surplus or unsaleable goods, their old or cast-off fashions, to the great detriment of our own establishments in Canada, whilst we are excluded from their markets. It might, therefore, be advisable to regulate our tariff so as to, in some measure, correspond with theirs on the various manufactures of wool, cotton, wood, and iron.

I come now to the main point or pivot upon which the prosperity of Canada, the success of her manufactures mainly depends, viz:—the removal of the duties from raw sugar, tea, and coffee; also, from the raw material for manufacturing; the same from iron, steel, and copper, in the bar or sheet; sheet tin, white lead, ground or dry, and linseed oil, when imported direct from Great Britain or her colonies; spirits of turpentine, black and bright varnish, mahogany and other wood, in the log, or sawn, and all other articles of raw material being non-productions.

Kingston, 22 March 1855.

The necessity or even the expediency of any great advance on the rate of duty on manufactured goods coming from the United States to this country would then be extremely doubtful. I think that when the restrictions of which I have complained are removed, that every branch of manufacture which is required will build itself up on a protection of 15 per cent., whilst a 20 per cent. duty would be prohibitory in its effects, therefore a duty so extremely high as the United States could only be advised upon a principle of retaliation, which is unsound. The free trade principle would also operate to our disadvantage for many years, when applied to manufactures as now applied to the productions of the soil, as the United States are much in advance of Canada in perfected machinery and practical operation, free trade would have the same effect on Canada as it would have on the United States by free trade with Great Britain. I, therefore, without any hesitation say, under all circumstances, that free trade on manufactured goods be avoided at present, but that the time will come when we shall seek it. When the United States reduce their tariff, so will we; when they remove restrictions altogether, we must do so too, but 'tis not our interest at present to do it.

Foreign wines and spirits (except whiskey) is recommended to be charged at an advance of 100 per cent. So far as the importation or use thereof is diminished by the advanced rate of duty, so far would the moral condition of the country be improved, and the decrease on the importation would not occasion any decrease in revenue, but probably some increase. That wines and spirits are wholly classed as luxuries and not as necessaries of life, that the consumers of these articles are scarcely found among the labouring classes. The duty at present on whiskey is a protection, and the temptation to smuggle it is but small.

Leather is also another article to which I beg to draw your attention. The facilities of procuring slaughter—hides and materials for tanning, are greatly in favour of the Canadian tanner, probably to the amount of 7 or 8 per cent., the duties on leather I would suggest should be reduced to 5 per cent., which will scarcely be injurious to the leather trade here, and the effect of which will be the importation of leather instead of boots and shoes, thereby transferring a large amount of labour from the United States to Canada, and increasing the demand for labour here, by which thousands would be benefited, where perhaps no individual would be injuriously affected.

All of which I beg to submit for your consideration.

Respectfully yours, &c.
(signed) *C. Hatch.*

To the Hon. Wm. Hamilton Merritt,
Chairman of Committee of L. A., Quebec.

No. 42.

Inspector-General's Office, Customs Department,
Quebec, 23 March 1855.

Sir,

Upon the receipt of the communication of the 13th of December last, with which I was honoured by you as chairman of the committee on trade of the Legislative Assembly, calling upon this department for certain information in reference to the trade of Canada with the neighbouring British Provinces, the West Indies, and the United States of America, all of which is not to be found in the trade and navigation tables annually laid before Parliament; I lost no time in preparing such forms in a tabular shape, as appeared to me calculated to elicit the information required. These forms were transmitted to the various collectors of customs throughout the province, who were requested by circular to fill them up for their respective ports from the best data at their command.

In compliance with these instructions, I have, with a few unimportant exceptions, received returns from all the provincial ports, the aggregate result of which will be seen in the two statements A and B, which I have the honour to transmit herewith for the information of your honourable committee; the statement A being a "Return of the quantity and value of goods imported first into the United States, and from thence into Canada, distinguishing

CANADA.

guishing goods passing through that country under bond, from those purchased in bond, duty paid or free; also the goods being the produce of the United States during the year 1854." And the statement B being a "Return of the quantity and value of goods imported into Canada, *viâ* the St. Lawrence, from the provinces of Nova Scotia, New brunswick, Prince Edward's Island, and Newfoundland, showing the amount of duty paid thereon, or the exemption from duty, for the year ending 5th January 1855."

Although the entry of the importations at all the ports may not have been such as to enable the collectors to fill the returns with all the desirable accuracy, it is believed that the result exhibits a pretty correct statement of the nature, amount, and channels of the trade which formed the subject of inquiry. The attention of collectors of customs having now been called to the subject, more satisfactory materials will, for the future, be supplied for the perfecting of such returns.

With regard to the trade from Foreign West Indies, the returns for 1854 are not yet received, but will be furnished as early as possible. The trade tables in course of preparation, will show the importation from the British West Indies.

I have, &c.
(signed) *R. S. M. Bouchette.*

To the Hon. W. H. Merritt,
Chairman of the Committee of Trade,
Legislative Assembly.

No. 43.

Bureau of Agriculture and Statistics,
10 April 1855.

Sir,

I FEAR it is quite impossible to arrive at the value of our manufactures, &c. The nearest approach to it is contained in the abstracts of the Census, vol. 2, page 260, for Upper Canada, and page 382 for Lower Canada; but this information is very imperfect, and the returns various. In some cases the amount of capital only is given, in others annual produce, and in some even the rent of the premises only.

I do not think it possible to arrive at an approximation to the truth, and the result would be mere guess-work. I very much regret that I cannot give you any satisfactory information. And

I am, &c.
(signed) *William Hutton.*

Hon. W. H. Merritt, M.P.P.
&c. &c. &c., Quebec.

APPENDIX (B.)

INDEX.

PAGE

No. 1.—Summary Comparative Statement of the Value of Imports and Exports of Canada with different Countries, from 1849 to 1854 - - - - - - - - - - - - 23

No. 2.—Return of the Quantity and Value of Goods imported into Canada, *viâ* the St. Lawrence, from the Provinces of Nova Scotia, New Brunswick, Prince Edward's Island, and Newfoundland, showing the Amount of Duty paid thereon, or the Exemption from Duty, for the Year ending 3d of January 1855 - - - - - - - - - - - - - - 23

No. 3.—Report of the Committee appointed to prepare a Tabular Statement of the Population, Income, Expenditure and Debt of the Province of British North America - - - - - 24–6

No. 4.—Statement of Imports into Canada, of certain Articles, showing the Countries whence Imported, and distinguishing whether such Importations have been direct or through other British Possessions, or through any Foreign and which Foreign Country or British Possession during the Year 1853 - - - - - - - - - - - - - - - - 27

No. 5.—Comparative Statement of the Quantity, Value and Amount of Duty collected in the United States and in Canada on certain Articles named in the Reciprocity Act, being the Growth and Produce of the two countries in the Year 1848 - - - - - - - - - 27

No. 6.—Statement exhibiting the Value of, and Amount of Duty on Articles which were imported during the fiscal Year, ending 30th June 1854, and now made free by the Reciprocity Treaty - - - - - - - - - - - - - - - - - - 28

No. 7.—Statement showing the Value of, and Duty on Articles imported into Canada (enumerated in Reciprocity Treaty) during the Year 1854 - - - - - - - - - - 29

No. 8.—Return of the Quantity and Value of Goods imported first into the United States, and from thence into Canada, distinguishing Goods passing through that Country under Bond, from those purchased subject to the Drawback, and those subject to Duty there and here, and free; also, the Goods being the Manufacture or Produce of the United States, during the Year 1854 - - - - - - - - - - - - - - - - - - 30

No. 9.—Return of Goods imported into Canada from Sea, *viâ* St. Lawrence, and forwarded under Bond to the United States, during the Year 1853 - - - - - - - - - - - - 30

No. 10.—Statement of Revenue collected in the different Districts in the United States, bordering on Canada, during these Periods, from 1830 to 1854 - - - - - - - - - - 31

No. 11.—Statement exhibiting the Value of Imports, Expenses of Collection, and Gross and Net Revenue at the different Ports in Canada, bordering on the United States, in the Year 1840, 1848, and 1854 - - - - - - - - - - - - - - - - - 32

No. 1.

No. 1.

SUMMARY COMPARATIVE STATEMENT of the VALUE of IMPORTS into and EXPORTS from *Canada*, with different Countries, from 1849 to 1854.

YEARS.	Great Britain.		British Colonies.		United States.		Other Countries.		Value.		Total.		Amount of Duty.
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports and Exports.	Population.	
1841 - - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	2,694,161	2,217,166	4,911,327	1,050,000	225,834
1848 - - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,491,566	334,029
1849 - - -	1,669,003	1,348,424	48,917	120,174	1,242,855	857,442	41,825	1,525	3,002,598	2,327,565	5,330,457	1,500,000	444,547
1850 - - -	2,407,980	1,200,849	97,517	204,288	1,648,715	1,237,789	91,303	27,070	4,245,517	2,669,998	6,915,515	1,582,000	615,694
1851 - - -	3,012,033	1,505,350	112,649	260,358	2,091,441	1,017,886	142,574	41,036	5,358,697	2,824,630	8,183,327	1,650,000	737,439
1852 - - -	2,667,783	1,689,214	121,519	206,525	2,119,423	1,571,130	162,899	47,123	5,071,623	3,513,994	8,585,617	1,750,000	739,263
1853 - - -	4,622,280	1,246,164	159,033	350,161	2,945,536	2,234,095	268,507	52,447	7,995,359	4,882,869	12,878,228	1,900,000	1,028,676
1854 - - -	5,740,832	2,719,179	169,446	382,318	3,883,274	2,604,320	338,777	46,332	10,132,331	5,754,797	15,887,128	2,000,000	1,237,629

TOTAL Amount by Sea, *viâ* St. Lawrence - - - - - - - - - - - - - - - - - - - *Dol.* 8,294,348
Ditto through the United States - - - - - - - - - - - - - - - - - - - 7,592,678

No. 2.

RETURN of the QUANTITY and VALUE of GOODS imported into *Canada*, viâ the *St. Lawrence*, from the Provinces of *Nova Scotia*, *New Brunswick*, *Prince Edward's Island*, and *Newfoundland*, showing the Amount of Duty paid thereon, or the Exemption from Duty, for the Year ending 5 January 1855.

DESIGNATION of the ARTICLES.	Nova Scotia.			New Brunswick.			Prince Edward's Island.			Newfoundland.			Total Quantity.	Total Value of Dutiable Goods.	Total Value of Free Goods.	Total Value of Dutiable and Free Goods	Total Amount of Duty.
	Quantity.	Value.	Duty or Free.	Quantity.	Value.	Duty or Free.	Quantity.	Value.	Duty or Free.	Quantity.	Value.	Duty or Free.					
		£. s. d.	£. s. d.		£. s. d.	£. s. d.		£. s. d.	£. s. d.		£. s. d.	£. s. d.		£. s. d.	£. s. d.	£. s. d.	£. s. d.
Coffee - - *cwt.*	7.1.13	24 11 9	4 15 10	- - -	- - -	- - -	- - -	- - -	- - -	29.2.17	84 6 6	17 9 3	37.0.2	108 18 3	- - -	108 18 3	22 5 9
Cigars - - *lbs.*	1,257	311 14 -	133 4 9	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,257	311 14 -	- - -	311 14 -	133 4 -
Molasses - *galls.*	285,733	9,605 1 4	3,581 18 2	- - -	- - -	- - -	- - -	- - -	- - -	14,882	337 - 3	166 2 11	300,635	9,942 1 7	- - -	9,942 1 7	3,748 1 1
Snuff - - *lbs.*	18	- 16 -	- 8 -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	18	- 16 -	- - -	- 16	- 8 4
Rum - - *galls.*	4,452	684 8 -	449 7 -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	4,452	684 8	- - -	648 8 -	449 7 9
Wine - - *galls.*	1,706	207 16 5	104 19 11	- - -	- - -	- - -	- - -	- - -	- - -	589	252 - 6	90 6 10	2,295	459 16 11	- - -	459 16 11	195 6 -
Sugar, Raw - *cwt.*	41,466.1.14	40.606 9 -	17.515 18 7	- - -	- - -	- - -	- - -	- - -	- - -	6,816 3.0	6,105 2 4	2,898 3 8	48,283.0.20	46,711 11 4	- - -	46,711 11 4	20,324 2 9
Tea - - *lbs.*	91,932	4,372 15 8	929 13 4	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	91,923	4,372 15 8	- - -	4,372 15 8	929 13 1
Tobacco - *lbs.*	5,017	177 17 -	43 2 9	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	5,017	177 17 -	- - -	177 17 -	43 2 3
Goods at - 30	- -	1,562 6 4	468 13 11	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- -	1,562 6 4	- - -	1,562 6 4	468 13 10
Goods at - 12½	- -	720 7 3	90 - 9	- - -	1,115 11 4	144 8 11	- 85	3 2 10	12 11	- -	17 9 2	2 3 8	- -	1,978 10 11	- - -	1,798 10 11	247 6 3
Goods at - 2½	- -	3,300 6 8	82 10 1	- - -	81 5 -	2 - 7	- -	- - -	- - -	- - -	1,814 12 6	45 7 2	- -	5,196 4 2	- - -	5,196 4 2	129 17 11
Goods - *free*	- -	37,780 - 11	- - -	- - -	5,197 1 6	- - -	- 405	- - -	- - -	- - -	34,193 11 10	- - -	- -	- - -	77,575 14 3	77,575 14 3	—
TOTAL - - -	- -	99,354 10 4	23,404 13 1	- - -	6,433 17 10	146 9 6	- 490	3 2 10	12 11	- -	42,084 3 1	3,129 13 6	- -	71,207 - 2	77,575 14 3	149,082 14 5	26,691 9 8

J. G. O., Customs Department, Quebec,
21 March 1855.

R. S. M. Bouchette,
Commissioner of Customs.

REPORT.

THE COMMITTEE appointed to prepare a Tabular Statement of the Population, Income, Expenditure and Debt of the Provinces of British North America, beg leave to report:—

A tabular statement of the population, income, expenditure, and debt of the British North American Provinces for the year 1851, by which it appears that in 1851 the population of British North America numbers 2,297,219.

That the amount of customs duties received was 976,938 *l.* 8 *s.* 9¾ *d.*, averaging per head for Canada, 8 *s.* 2¼ *d.*; New Brunswick, 10 *s.* 11¾ *d.*; Nova Scotia, 6 *s.* 7¼ *d.*; Prince Edward's Island, 5 *s.* 8¼ *d.*; and Newfoundland, 14 *s.* 7¼ *d.*

The amount of revenue received from all other sources is 177,040 *l.* 19 *s.* 5½ *d.*, making in all the sum of 1,153,979 *l.* 8 *s.* 3¼ *d.*, averaging per head for Canada, 9 *s.* 4¼ *d.*; New Brunswick, 12 *s.* 0¾ *d.*; Nova Scotia, 7 *s.* 8¼ *d.*; Prince Edward's Island, 7 *s.* 2¼ *d.*; and Newfoundland, 15 *s.* 8¾ *d.*

The public debt of the united colonies amounts to 4,691,509 *l.* 1 *s.* 8¼ *d.*

Your Committee regret that they are unable to select from the above statement, the amount of the annual income received by each Province from the public lands and other sources derived from the soil, which does not constitute a tax on the amount of specific revenue received and expended.

They would therefore suggest an annual statement of—1st. The gross amount of tax collected from each separate source for the support and purposes of the Provincial Government 2d. The gross amount collected from lands, minerals, and other sources of revenue derived from the capital of the country from which no tax is imposed. 3d. Specific funds raised from a particular source, and expended for a particular object, and the relative tariff of duties on each separate article, as herein pointed out to be made by the proper officer, and sent annually to each Government for the information of their respective Legislatures.

All which is respectfully submitted.

Wm. Hamilton Merritt,
Chairman.

11 June 1853.

No. 3.

Tabular Statement of the Population, Income, Expenditure, and Debt, of the *British North American* Provinces, for the Year 1851.

HEADS of REVENUE.	Canada.	Nova Scotia.	New Brunswick.	Prince Edward's Island.	Newfoundland.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Customs and Imposts	703,700 14 –	75,010 10 1	106,252 2 –	17,769 18 7¾	74,205 4 1
Auction Duties	5,800 6 1	- - -	21 10 –	—	
Excise	14,380 7 7	—			
Bank Imposts	15,832 7 7	—			
Fines and Forfeitures	1,364 – –	256 – –	870 16 –	110 5 1	772 2 4
Casual Revenue	11,138 2 11	6,638 6 8	803 6 11	—	
Interest on Bonds	- - -	- - -	312 12 10	161 2 –¼	—
Post-Office	- - -	- - -	- - -	999 2 4½	—
Land Assessment	- - -	- - -	- - -	2,165 1 7	—
Registrars	- - -	- - -	- - -	159 6 2½	—
Licences	- - -	- - -	- - -	459 10 –	849 – 9
Lighthouse Dues	937 6 10	3,962 11 –	3,850 17 5	- - -	2,467 18 8
Public Works	65,008 19 8	385 6 5	—		
Militia Fines and Fees	8 2 6	—			
Law Fee Fund	4,052 12 2	- - -	450 – –	—	
Miscellaneous	- - -	1,252 3 –	—		
Seamens' Fund	- - -	- - -	1,939 12 2	—	
Emigrants	- - -	- - -	987 5 –	—	
Buoys and Beacon	- - -	- - -	456 – 1	—	
Seizures	- - -	- - -	- - -	44 9 8	—
Fees from Secretary's Office	- - -	- - -	- - -	299 15 3	—
Total Revenue - £.	842,184 5 2	87,504 17 2	121,855 17 –	22,538 14 9¼	79,825 14 2
	s. d.	s. d.	s. d.	s. d.	s. d.
Average amount per head	9 10¼	7 8½	12 –¾	7 2¼	15 8¾
Averaging for British North America	10 3	—			
Net Customs, averaging per head	8 2¼	6 7¼	10 11¾	5 8¼	14 7¼
Population	1,712,136	227,005	193,800	62,678	101,600
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Public Debt	4,451,961 17 8	87,889 12 –	30,000 – –	17,938 17 4¼	103,718 14 8
Population of the British North American Provinces	2,297,219	—			
	£. s. d.				
Customs of ditto	976,938 8 9¾	—			
General Revenue, ditto	1,153,979 8 3¼	—			

HEADS of EXPENDITURE.	Canada.	Nova Scotia.	New Brunswick.	Prince Edward's Island.	Newfoundland.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Interest on Public Debt	225,350 3 11	1,951 2 6	3,828 9 –	- - -	5,783 10 5
Civil Government	45,007 6 8	6,340 – –	11,225 – –	- - -	10,382 18 10
Administration of Justice	84,913 8 4	4,407 12 –	1,641 13 8	- - -	12,637 17 –
Penitentiary	5,000 – –	760 – –	1,700 – –	—	
Legislature	49,867 8 –	7,041 16 11	9,550 7 11	1,912 4 4½	4,125 19 6
Education	67,062 12 3	12,459 2 4	16,614 6 10	2,351 14 10	7,748 5 –
Agricultural Societies	12,917 12 1	558 8 3	2,508 4 –	450 – –	—
Hospitals and Churches	17,581 12 5	1,186 7 6	4,372 4 –	—	
Geological Survey	1,955 15 6	—			
Militia	1,895 4 8	501 16 1	574 14 –		
Pensions	7,947 3 7	1,720 – –	941 13 4	- - -	161 4 –
Indian Annuities	7,772 18 7	257 18 3	596 12 3	—	
Sinking Fund	73,000 – –	- - -	6,000 – –	—	
Miscellaneous	13,717 14 10	8,893 – –	6,024 2 –	752 3 8½	8,037 19 –
Revenue Expenses	- - -	7,606 3 4	—		
Revenue Collection and Protection	- - -	- - -	10,557 18 –	—	
Post-Office	- - -	- - -	610 – –	1,539 10 3	—
Salaries	- - -	- - -	- - -	3,145 11 11	—
Compensation to Government Officers	- - -	- - -	- - -	774 16 –	—
Public Postage	- - -	- - -	- - -	55 19 3	—
Crown Prosecution	- - -	- - -	- - -	793 14 4½	—
Board of Health	- - -	- - -	- - -	421 15 11	—
Fish Bounties	- - -	- - -	- - -	370 18 9	—
Provincial Building, Electr.	- - -	- - -	- - -	540 15 8	—
Inquest and Shadiac Packes.	- - -	- - -	- - -	116 11 7¾	—
Printing and Stationery	- - -	- - -	- - -	794 4 2½	—
Apprehension of Deserters	- - -	- - -	- - -	378 14 3	—
Interest on Liabilities and Debentures	- - -	- - -	- - -	1,626 4 –	—
Drawbacks	- - -	- - -	- - -	220 16 4½	—
Sundry Fees, &c.	- - -	- - -	- - -	173 12 11	—
Repayment of Debt	- - -	- - -	- - -	- - -	6,730 – –
Local Institution	850 – –	- - -	- - -	- - -	475 – –
Roads and Bridges	- - -	24,973 10 6	—		
Roads, Bridges, and Wharves	- - -	- - -	- - -	5,978 3 2	—
Gaols	- - -	- - -	- - -	610 11 8½	—
Small disbursements	- - -	- - -	- - -	86 7 2½	—
Markets	- - -	- - -	- - -	50 1 8	—
Poor	- - -	- - -	- - -	- - -	6,329 18 10
Lighthouse	6,166 10 7	5,721 10 10	3,476 4 10	176 17 11½	—
Emigration	906 1 11	- - -	1,298 – 2	—	
Public Works	13,134 13 4	300 – –	30,936 6 6	787 6 3	10,534 4 –
Buoys and Beacon	- - -	- - -	- - -	65 – 8	—
Total Expenditure - £.	635,066 6 8	84,748 8 6	112,655 16 6	24,173 10 11½	72,946 16 7

Thursday, 9 March 1853.

No. 3.

TARIFF of DUTIES on different Articles in *British North America*, for 1851.

IN CURRENCY.

ARTICLES.	Canada.					Nova Scotia.					New Brunswick.					Prince Edward's Island.					Newfoundland.					Remarks.
	Specific.	Ad Valorem.	Per Gallon.	Per Hhd.	Per Cwt.	Specific.	Ad Valorem.	Per Gallon.	Per Hhd.	Per Cwt.	Specific.	Ad Valorem.	Per Gallon.	Per Hhd.	Per Cwt.	Specific.	Ad Valorem.	Per Gallon.	Per Hhd.	Per Cwt.	Specific.	Ad Valorem.	Per Gallon.	Per Hhd.	Per Cwt.	
	p' ct.	p' ct.	d.	s. d.	d.	p' ct.	p' cent.	s. d.	d.	s. d.	p' ct.		s. d.	s.	s. d.		p' cent.	s. d.	d	s. d.		p' cent.	s. d.	d.	s. d.	
Coffee, Green	½	12½	–	–	1¾	–	–	–	1¼	–	–	–	–	1¾	–	–	–	–	1¾	–	–	–	–	1¼	–	The amount of duty varies in each separate Province.
Ditto, other kinds	–	12½	–	–	–	–	–	–	2½	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2½	–	
Tea	–	12½	–	1 –	–	–	–	–	2¼	–	–	–	–	2½	–	–	–	–	5	–	–	–	–	2½	–	
Sugar, refined	–	12½	–	–	–	–	–	–	–	17 –½	–	–	–	1¾	–	–	–	–	2½	–	–	–	–	–	17 –½	
Ditto, other kinds	–	12½	–	–	–	–	–	–	–	12 2	–	–	– 1	–	7 3½	–	–	–	–	8 6¼	–	–	–	–	12 2	
Molasses	–	12½	–	–	–	–	–	– 3½	–		–	–	–	–	–	–	–	– 3¾	–	–	–	–	– 3½	–		
Tobacco, unmanufactured	–	12½	–	– –½	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2¼	—						
Ditto, manufactured	–	12½	–	1 –	–	–	–	–	1½	–	–	–	–	1¾	–	–	–	–	5	–	–	–	–	1¾	–	
Cigars	–	12½	–	1 6	–	–	£.10	–	–	–	–	–	–	–	–	–	30	–	–	–	–	10	—			
Snuff	–	12½	–	– 4	–	–	£.10	–	–	–	–	–	–	–	–	–	–	–	3½	–	–	10	—			
Spirits	–	25	3	–	–	–	–	1 1¼	–	–	–	–	–	–	–	–	–	3 –	–	–	–	–	1 1½	–		
Wine	–	25	6	–	–	–	–	3 –¾	–	–	–	£.10	3 –	–	–	–	–	3 4½	–	–	–	–	3 –½	–		
Salt	–	12½	–	1 – p' bushel.																						
Fish	–	12½	–																							
Manufactures	–	12½	–	–	From 2½ to 6¼		–	–	–	–	From 1 to 30		–	–	–	–	6	–	–	–	–	–	–	–	–	Charged higher in Canada.
Ditto - Cotton	–	12½	–	–	–	2½	6¼	–	–	–	–	ditto	–	–	–	–	6	—								
Ditto - Wool	–	12½	–	–	–	2½	6¼	–	–	–	–	ditto	–	–	–	–	6	—								
Unenumerated articles	From 2½*l.* to 30*l.*			–	–	–	£.6¼ Sterling		–	–	–	£.7¼ Sterling		–	–	–	£.5 Sterling		–	–	–	£.5 Sterling		–	–	Same.
						£. 7 12 1 Currency			–	–	£. 8 16 5 Currency			–	–	£. 6 1 8 Currency			–	–	£. 6 1 8 Currency.					

Thursday, 9 March 1853.

No. 4.

STATEMENT of IMPORTS into *Canada* of the following Articles, showing the Countries whence Imported, and distinguishing whether such Importations have been direct or through other British Possessions, or through any Foreign, and which Foreign Country or British Possession during the year 1853.

ARTICLES.	TOTAL VALUE.	Direct from British West Indies.	Direct from Foreign West Indies.	Through other Countries. United States.	Through other Countries. Nova Scotia, Newfoundland, P. E. Island.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Coffee	34,324 5 2	36 8 9	103 10 7	33,701 1 11	482 14 11
Confectionary and Preserves	1,470 7 10	1 4 4	127 – 5	1,350 – 7	1 2 6
Molasses	52,437 6 –	- - -	17,881 – 6	27,457 8 2	7,098 17 4
Cigars	12,145 10 6	- - -	716 14 7	11,280 11 1	148 4 10
Spices	9,201 – 8	180 13 8	106 3 5	8,650 15 4	263 8 3
Cordials	189 3 10	- - -	4 14 6	184 9 4	—
Rum	3,207 19 8	138 13 –	330 – 4	1,111 2 1	1,628 4 3
Honey	71 9 2	- - -	71 9 2	—	
Sugar	320,824 5 1	264 3 4	35,050 2 11	135,525 2 4	49,984 16 6
Mahogany	89 7 5	- - -	89 7 5	—	
£.	333,969 15 4	621 3 1	54,480 12 10	219,260 10 10	59,607 8 7

No. 5.

COMPARATIVE STATEMENT of the Quantity, Value, and Amount of Duty collected in the *United States* and in *Canada*, on certain Articles named in the Reciprocity Act, being the Growth and Produce of the two Countries in the year 1848.

IMPORTED INTO CANADA. ARTICLES.	Value.	Amount of Duty in		IMPORTED INTO UNITED STATES. ARTICLES.	Value.	Amount of Duty in	
	£. s. d.	$.	£. s. d.		£. s. d.	$. c.	£. s. d.
Grain and Breadstuffs	17,254 – –	9,609	2,400 11 10	Grain and Breadstuffs (all kinds).	90,164 – –	72,331 –	18,082 15 –
Vegetables	3,760 – –	1,504	376 – –	Vegetables	44 – –	35 –	8 15 –
Fruits	7,428 – –	4,929	1,232 6 7	Fruits	– 5 –	– 20	– 1 –
Seeds	6,843 – –	2,053	512 5 6	Seeds	687 – –	550 –	13 15 –
Animals, for breed, not given.	—			* Animals (for breed)	12,387 – –	Free.	
Animals paying duty	13,951 – –	6,582	1,645 9 6	Hides	2,786 – –	2,230 –	557 10 –
Hides, Wool, Tallow, Horns, Ashes, not classed	163,000 – –	6,524	1,631 – –	Wool	23,884 – –	19,107 –	4,776 15 –
				Butter	2,209 – –	1,767 –	441 13 –
				Cheese	2 – –	2 –	– 10 –
				Tallow	2 – –	1 –	– 5 –
				Horns	—		
Butter	72 – –	40	9 18 9	Salted and fresh meat	—		
Cheese	4,431 – –	2,989	747 7 4	Ores of all metals	—		
Meats	23,156 – –	26,629	6,672 6 3	Ashes	714 – –	571 –	142 15 –
Ores, none imported	—			Staves	—		
Staves	1,633 – –	962	240 12 8	Wood and lumber (all kinds).	27,789 – –	22,231 –	5,557 15 –
Woods	4,623 – –	1,763	440 16 2				
£.	246,151 – –	$ 63,584	£15,909 13 7	£.	160,668 5 –	$118,825 20	£29,582 11 –

* Animals paying duty (not given).

Extracted from printed Report of the Treasury Department of the United States for 1848.
Imports into Canada examined, and certified correct.

I. G. O. Customs Department,
Montreal, Canada, 17 July 1849.

J. W. Dunscomb.

No. 6.

(Report on Finances.)

Statement exhibiting the Value and Amount of Duties on Articles which were Imported during the fiscal year ending 30th June 1854, and now made free by the Reciprocity Treaty.

Articles.	Rate of Duty per cwt.	Value of Articles.	Duties.
		$.	$. c.
Grain, Flour, and Breadstuffs	20	3,906,073	781,214 60
Animals, free	- -	75,408	—
" dutiable	20	225,642	45,128 40
Fresh, Smoked, and Salted Meat	20	5,184	1,036 80
Cotton, Wool, free	- -	125	—
Seeds, Plants, Shrubs, &c., free	- -	18,210	—
" " " dutiable	20	555	111 -
Vegetables	20	102,806	20,561 20
Undried Fruits	20	13,692	2,738 40
Dried Fruits	20	31	6 20
Fish of all kinds	20	901,671	180,334 20
Products of Fish and of all other creatures living in the water	—		
Poultry	20	1,016	203 20
Eggs	20	5,500	1,100 -
Hides and Skins	5	34,729	1,734 45
Furs, undressed	10	13,920	1,392 -
Tails, undressed	20	8	1 60
Unwrought Stone	10	10,758	1,075 80
Unwrought Marble	4	4	- 80
Butter	20	126,811	25,362 20
Cheese	30	127	38 10
Tallow	10	37	3 70
Lard	20	837	167 40
Horns	5	1,421	71 5
Manures	—		
Ores of Metals, free	- -	18,790	—
" " dutiable	20	516	103 20
Coal	30	254,775	76,432 50
Pitch, Tar, and Turpentine	20	75	15 -
Ashes	20	4,441	888 20
Fire and other Wood	30	728,688	218,606 40
All other Wood	20	574,051	114,810 20
Pelts	20	24,639	4,927 80
Wool	30	69,182	20,754 60
Fish Oil	20	110,402	22,080 40
Rice	—		
Broom Corn	—		
Bark	20	978	195 60
Gypsum, ground	20	353	70 60
" free, unground	- -	113,312	—
Grindstones	5	23,265	1,163 25
Dyestuffs	5	14,717	735 85
Hemp, Flax, Tow, unmanufactured	—		
Tobacco, unmanufactured	30	2,915	874 50
Rags	5	12,696	634 80
Total	- -	7,398,358	1,524,457 40
Deduct for British North American Provinces*	- -	1,301,154	231,054 -
Leaving for Canada	- $.	6,097,204	1,243,403 -

* Those articles consist of:—

	Value.	Duties.
1. Fish	901,671	180,334
2. Stone	10,758	1,075
3. Coal	254,775	76,432
4. Fish Oil	110,402	22,080
5. Gypsum	355	70
6. Grindstones	23,265	1,163
	491,223	281,154

Treasury Department, Registrar's Office,
21 November 1854.

F. Biggar,
Registrar.

CANADA.

No. 7.

Statement showing the Value of and Duty on Articles imported into *Canada* (enumerated in Reciprocity Treaty), during the Year 1854.

ARTICLES.	Value. £. s. d.	Duty. £. s. d.
Tobacco, unmanufactured	16,776 16 2	3,596 6 –
Goods at 30 per Cent.:		
Fruit, dried	10,000 – –	3,000 – –
,, green	10,110 – –	3,033 – –
Total Goods at 30 per cent. £.	20,110 – –	6,033 – –
Goods at 20 per Cent.:		
Animal	7,219 16 3	1,444 – –
Grains	4,181 16 4	836 7 8
Flour and Breadstuffs	4,385 6 3	877 1 3
Hops	2,958 2 1	591 12 5
Meat	15,496 3 4	3,097 5 –
Butter	273 14 2	54 15 –
Cheese	8,351 12 9	1,670 6 7
Total Goods at 20 per cent. £.	42,856 16 2	8,571 7 11
Goods at 12½ per Cent.:		
Fish	18,712 – –	2,339 – –
Firewood	10,000 – –	1,250 – –
Mess Pork	127,626 14 1	15,953 7 –
Rice	11,598 18 –	1,449 17 3
Timber and Lumber	15,703 19 7	1,963 – –
Turpentine	7,180 14 6	897 11 10
Vegetables	1,500 – –	187 10 –
Other articles	1,000 – –	125 – –
Total Goods at 12½ per cent. £.	193,322 6 2	24,165 6 1
Goods at 2½ per Cent.:		
Bark	593 6 1	14 16 8
Brown Corn	4,991 7 8	124 10 8
Burrstones	2,107 3 5	52 13 7
Coal	55,095 – –	1,377 7 –
Dye stuffs	6,000 – –	150 – –
Flax, Hemp and Tow	26,235 – –	655 17 6
Hides and Felts	63,267 14 –	1,581 13 –
Lard	9,130 13 3	228 5 4
Pitch and Tar	2,842 16 8	71 1 5
Marble and Stone unwrought	7,500 – –	187 10 –
Tallow	86,159 7 7	2,153 19 7
Wool	8,042 12 10	201 1 4
Total Goods at 2½ per cent. £.	271,955 1 6	6,798 16 1
Free Goods:		
Animals	11,067 15 –	—
Grain	212,463 18 –	—
Cotton wool	3,814 – –	—
Seeds	24,596 16 5	—
Manures	5,965 6 –	—
Planes, shrubs and trees	13,386 18 6	—
Total Free Goods £.	271,324 13 11	—

RECAPITULATION.

	£. s. d.	£. s. d.
Goods paying specific and *ad valorem* duty	16,776 16 2	3,596 6 –
Goods at 30 per cent.	20,110 – –	6,033 – –
Goods at 20 per cent	42,856 16 2	8,571 7 11
Goods at 12½ per cent.	193,322 6 2	24,165 6 1
Goods at 2½ per cent.	271,955 1 6	6,798 16 1
Free Goods	271,324 13 11	—
Total	816,345 13 11	49,167 16 1
		5 – –
Deduct free	171,324 – –	$. 196,671 – –
£.	545,021 – –	
$.	2,180,085 – –	

I. G. O., Customs, Quebec,
3 April 1855.

(signed) *R. S. M. Bouchette*,
Commissioner Customs.

No. 8.

RETURN of the Quantity and Value of GOODS Imported first into the United States and from thence into *Canada*, distinguishing Goods passing through that Country under Bond from those purchased in Bond, Duty paid or free; also, the Goods being the Produce or Manufacture of the United States, during the Year 1854.

DESCRIPTION OF ARTICLES.	Passing through the United States under Bond.		PURCHASED IN THE UNITED STATES									
			IN BOND.		DUTY PAID.		DUTY FREE.		Produce of the United States.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
		£. s. d.		£. s. d.		£. s. d.		£. s. d.		£. s. d.
Coffee, green - - - - - - - *cwt.*	2,198 0 0	5,698 8 –	17,461 0 11	5,456 18 1	- - -	- - -	5,465 0 20	16,792 14 5	12,205 0 0	9,485 5 11
Coffee, other - - - - - - - "	0 2 26	4 15 1	- - -	- - -	- - -	- - -	86 1 2	255 18 1	29 1 25	83 19 3
Cigars - - - - - - - - - *lbs.*	1,815	416 – –	134,136	5,477 9 6	2,916	932 3 –	- - -	- - -	18,946	5,127 7 1
Molasses - - - - - - - - *gals.*	4,298	129 11 2	200,706½	8,462 – 8	55,673	3,577 16 10	- - -	- - -	649,807	27,977 8 6
Snuff - - - - - - - - - *lbs.*	- - -	- - -	346	15 6 2	743¼	37 12 1	- - -	- - -	84,701½	682 15 5
Spirits, brandy - - - - - - *galls.*	13,667	3,890 7 7	35,596	12,341 17 –	22,096½	5,313 3 9	- - -	- - -	1,568½	502 15 6
Cordials - - - - - - - - "	31	18 – –	- - -	- - -	44	34 9 10	- - -	- - -	681½	164 13 10
Gin - - - - - - - - - "	1,450	172 15 9	9,174	1,052 13 3	1,449	174 6 –	- - -	- - -	1,169	161 10 10
Rum - - - - - - - - - "	733	78 10 –	1,117	155 11 2	2,877	365 10 9	- - -	- - -	17,707½	1,986 18 11
Whiskey - - - - - - - - "	2,900	234 – 6	- - -	- - -	- - -	- - -	- - -	- - -	434,376	38,799 12 7
Wine - - - - - - - - - "	21,028	5,732 13 1	23,160	6,800 – 5	16,852½	4,380 8 5	- - -	- - -	50,769½	7,870 15 8
Sugar, raw - - - - - - - *cwt.*	5,593 1 5	9,141 4 5	71,669 3 15	105,149 7 10	12,045 3 12	14,957 18 6	- - -	- - -	72,079 0 2	69,708 11 9
Sugar, refined - - - - - - - "	111 0 12	216 6 11	6,715 1 16	12,724 4 3	4,958 3 26	10,021 18 2	- - -	- - -	4,065 0 23½	7,602 17 9
Tea - - - - - - - - - *lbs.*	43,224	1,680 12 1	1,462,012	101,925 16 2	- - -	- - -	1,621,370	213,557 4 4	—	—
Tobacco, manufactured - - - - - - "	- - -	- - -	15,119	492 3 5	37,085¾	1,467 6 4	- - -	- - -	2,797,479½	89,163 4 10
Tobacco, unmanufactured - - - - - "	- - -	- - -	13,320	634 16 2	1,296	36 4 3	- - -	- - -	597,898	13,529 8 2
Goods at 30 per cent. - - - - - -	- - -	18 – –	- - -	4,241 16 11	- - -	5,220 8 6	- - -	- - -	- - -	25,180 7 7
" 20 " - - - - - - -	- - -	- - -	- - -	88 19 10	- - -	14 18 6	- - -	- - -	- - -	29,370 15 4
" 12½ " - - - - - - -	- - -	1,253,050 – 10	- - -	2,267 19 5	- - -	77,280 14 3	- - -	- - -	- - -	1,502,280 1 11
" 2½ " - - - - - - -	- - -	41,071 – 1	- - -	32,111 8 5	- - -	20,182 18 11	- - -	- - -	- - -	404,617 3 1
" free - - - - - - - -	- - -	15,217 18 –	- - -	- - -	- - -	43 7 2	-	- - -	- - -	510,929 2 8
TOTAL - - -	- - £.	1,336,770 3 6	- - -	299,428 8 8	- - -	144,021 5 3	- - -	230,605 16 10	- - -	2,833,525 6 7

I. G. O. Customs Department, Quebec, 21 March 1855.

R. S. M. Bouchette, Commissioner of Customs.

No. 9.

RETURN of GOODS Imported into *Canada* from Sea, *vid* St. Lawrence, and forwarded under Bond to the United States during the Year 1853.

ARTICLES.	VALUE.	ARTICLES.	VALUE.	ARTICLES.	VALUE.
	£. s. d.		£. s. d.		£. s. d.
Railroad iron - - - - - - - - -	220,333 15 8	Hardware - - - - - - - - - -	741 17 1	Varnish - - - - - - - - - -	30 – –
Pig iron - - - - - - - - - -	29,802 16 1	Furniture - - - - - - - - - -	108 17 10	Bricks - - - - - - - - - -	30 8 4
Bar iron - - - - - - - - - -	9,368 19 1	Tin - - - - - - - - - - -	867 4 –	Other articles - - - - - - - -	426 – 11
Steel - - - - - - - - - -	267 14 1	Woollens - - - - - - - - - -	23 7 3	£.	261,991 – 4

R. S. M. Bouchette, Commissioner of Customs.

No. 10.

STATEMENT of Revenue Collected in the Different Districts in the *United States*, bordering on *Canada*, during the following Periods.

DISTRICTS.	From 1830 to 1848 (19 Years).								From 1848 to 1851 (3 Years).							
	Gross Revenue.		Expenses of Collection.		Net Revenue.		Excess of Expenses.		Gross Revenue.		Expenses of Collection.		Net Revenue.		Excess of Expenses.	
	Dollars.		*Dollars.*	*c.*	*Dollars.*	*c.*	*Dollars.*	*c.*	*Dollars.*	*c.*	*Dollars.*	*c.*	*Dollars.*	*c.*	*Dollars.*	*c.*
1. Vermont	216,385	14	183,660	10	62,725	4	-	-	181,815	2	27,472	47	154,442	55	—	
2. Champlain	192,877	80	130,938	86	61,938	94	-	-	133,326	68	22,985	22	109,751	44	—	
3. Oswegatchie	63,201	74	116,874	47	-	-	53,672	73	42,842	41	16,002	22	26,840	19	—	
4. Cape Vincent	21,649	98	78,437	26	-	-	56,787	28	22,410	78	14,222	58	8,188	20	—	
5. Sackett's Harbour	13,983	4	106,492	84	-	-	92,509	80	16,603	54	27,000	95	-	-	10,397	41
6. Oswego	206,734	84	157,519	67	48,233	17	-	-	273,175	92	38,210	43	234,947	50	—	
7. Genesee	135,019	97	80,[illegible]54	47	52,065	50	-	-	45,324	06	13,568	47	31,722	66	—	
8. Niagara	53,527	7	117,9[illegible]	82	-	-	64,416	75	44,076	44	21,277	69	22,798	75	—	
9. Buffalo	150,437	60	197,8[illegible]3	80	-	-	47,216	[illegible]	148,740	3	49,601	19	98,885	78	—	
10. Erie	3,394	66	156,[illegible]14	82	-	-	152,620	16	1,155	26	31,924	35	-	-	30,769	9
11. Cuyahoga	59,863	15	47,214	73	-	-	7,351	58	126,677	24	12,228	71	113,448	53	—	
12. Sandusky	6,246	92	29,929	46	-	-	23,682	54	34,018	44	5,927	49	28,090	95	—	
13. Miami	3,660	19	20,183	19	-	-	16,523	—	244	55	2,470	40	-	-	2,225	86
14. Detroit	88,676	71	163,905	42	-	-	75,228	71	47,935	42	32,868	22	15,067	20	—	
15. Michilimacinac	5,189	42	39,936	59	-	-	34,747	17	1,797	42	4,535	2	-	-	2,737	60
16. Chicago	2,026	86	3,117	9	-	-	1,090	23	10,670	41	10,360	73	154	75	—	
TOTAL	1,200,895	9	1,600,776	59	224,964	65	625,846	15	1,130,912	21	331,436	14	844,338	50	46,129	96

	Dollars.	*c.*
Expenses of Collection	1,600,776	59
Gross Revenue Collected	1,200,895	9
Loss to Public	399,881	50

		Dollars.	*c.*	*Dollars.*	*c.*
Gross Revenue				1,130,912	21
Deduct therefrom,		*Dollars.*	*c.*		
Duties Refunded		170	92		
Expenses of Prosecution		1,096	61		
Expenses of Collection		331,436	14		
Excess of Expenses		46,129	96		
				378,833	63
				752,078	58

DISTRICTS.	1852 (One Year).					1853 (One Year).					1854 (One Year).				
	Value of Imports.	Revenue.			Expense of Collection.	Value of Imports.	Revenue.			Expense of Collection.	Value of Imports.	Revenue.			Expense of Collection.
	Dollars.	*Dollars.*	*c.*		*Dollars.* *c.*	*Dollars.*	*Dollars.*	*c.*		*Dollars.* *c.*	*Dollars.*	*Dollars.*	*c.*		*Dollars.* *c.*
1. Vermont	46,694	37,647	29		9,896 –	184,512	40,114	64		10,414 36	337,279	43,839	35		9,871 25
2. Champlain	75,331	64,673	51		10,218 –	494,856	111,332	89		8,482 41	104,175	121,593	36		13,567 3
3. Oswegatchie	20,303	20,004	70		5,265 –	328,735	44,555	94		7,692 50	415,472	34,193	47		8,489 30
4. Cape Vincent	45,883	21,690	82		7,834 –	759,961	35,671	90		6,673 57	1,111,094	27,215	2		8,427 95
5. Sackett's Harbour	390	12,844	24		7,276 –	4,398	4,495	5		8,185 –	34,779	3,864	94		6,703 23
6. Oswego	592,653	86,729	97		16,448 22	1,494,140	128,667	27		11,755 39	3,369,028	174,313	79		20,008 37
7. Genesee	31,075	10,983	16		6,941 44	46,650	7,902	32		6,704 40	109,789	10,545	4		7,214 44
8. Niagara	144,737	23,885	48		5,634 –	1,119,797	28,348	58		11,171 39	171,080	22,397	53		8,812 65
9. Buffalo	67,477	91,372	–		15,963 –	440,708	85,263	72		16,166 66	412,778	86,586	86		17,344 23
10. Erie	- -	517	6		850 3	37	316	98		285 59	4,508	1,636	62		1,285 7
11. Cuyahoga	20,831	85,528	56		4,464 –	132,219	48,510	79		3,690 80	372,504	65,101	28		4,504 92
12. Sandusky	334	82,397	49		2,519 –	54,969	76,669	88		2,506 62	10,736	26,529	91		2,554 12
13. Miami	- -	- -	-		2,414 –	- -	99,316	2		2,210 75	7,941	71,397	14		2,182 4
14. Detroit	55,634	34,333	95		13,982 38	207,782	831	81		17,730 5	159,645	13,700	–		14,899 57
15. Michilimacinac	437	1,054	23		2,211 –	3,448	481	60		1,949 46	7,443	1,923	81		2,084 59
16. Chicago	- -	919	80		2,520 6	- -	127,060	95		2,577 50	49,174	13,484	32		4,215 57
17. Milwaukie established in 1852.	- -	11,188	74		2,400 –	7,559	27,216	11		2,853 1	38,708	334,043	78		5,025 58
TOTAL	1,101,779	585,771	–		116,836 13	5,279,771	866,747	45		121,049 46	6,716,133	1,052,368	22		137,189 91

Note.—It is to be observed upon comparing the Imports with the Revenue contained in the above Statement, that whilst the Imports include only the articles brought directly from Canada into the ports mentioned, a portion of the Revenue is derived from Imports brought into the Atlantic ports, and transported in bond to the Lake ports.

Treasury Department, Registrar's Office, 14 October 1854. *H. Bigger*, Registrar.

No. 11.

STATEMENT exhibiting the Value of Imports, Expenses of Collection, and Gross and Net Revenue at the different Ports in *Canada* bordering on the *United States*, in the Years 1840, 1848, and 1854.

No.	PORTS.	1841. IMPORTS. Values.	1841. REVENUE. Gross.	1841. REVENUE. Expenses.	1841. REVENUE. Net.	1848. IMPORTS. Values.	1848. REVENUE. Gross.	1848. REVENUE. Expenses.	1848. REVENUE. Net.	1854. IMPORTS. Values.	1854. REVENUE. Gross.	1854. REVENUE. Expenses.	1854. REVENUE. Net.	REMARKS.
			£.	£.	£.		£.	£.	£.		£.	£.	£.	
1	St. Johns	- - -	24,092	819	23,273	- - -	22,341	1,454	20,887	- - -	966	773	193	
2	Philipsburg	- - -	857	146	711	- - -	1,226	310	916	- - -	1,155	318	837	
3	Coteau du Lac*	- - -	700	644	56	- - -	76	351	- -	- - -	112	81	31	
4	Stanstead	- - -	749	135	614	- - -	1,412	338	1,074	- - -	1,418	535	883	
5	Amherstburg	- - -	417	100	317	- - -	603	162	441	- - -	1,824	470	1,354	
6	Bath	- - -	382	100	282	- - -	655	153	502	- - -	450	106	344	Population in 1841 - 1,050,000.
7	Belleville	- - -	702	100	602	- - -	1,483	231	1,252	- - -	12,188	825	11,363	Population in 1848 - 1,491,666.
8	Brockville	- - -	888	100	788	- - -	3,130	412	2,718	- - -	9,459	927	8,532	Population in 1851 - 2,000,000.
9	Bond Head and Port Darlington*	- - -	201	100	101	- - -	60	95	—					
10	Burlington	- - -	2,978	223	2,755	- - -	30,326	1,203	29,123	- - -	169,122	3,118	166,004	
11	Chatham	- - -	295	100	195	- - -	925	281	644	- - -	5,522	294	5,228	
12	Chippawa	- - -	1,119	131	988	- - -	1,953	425	1,528	- - -	2,597	478	2,119	
13	Cobourg	- - -	1,005	125	880	- - -	1,362	331	1,031	- - -	7,251	428	6,823	
14	Cornwall	- - -	105	53	52	- - -	270	150	120	- - -	925	190	735	
15	Port Erie	- - -	652	100	552	- - -	972	303	669	- - -	7,880	658	7,222	
16	Gananoque	- - -	95	48	47	- - -	284	158	126	- - -	425	137	288	
17	Goderich	- - -	53	26	27	- - -	302	147	155	- - -	1,719	181	1,538	
18	Hallowell	- - -	432	100	332	- - -	474	115	359	—				
19	Kingston	- - -	8,479	300	8,179	- - -	10,937	1,371	9,566	- - -	29,032	2,385	26,647	
20	Maria Town	- - -	61	31	30	- - -	264	189	75	—				
21	Newcastle and Trent Port	- - -	168	84	84	- - -	336	160	176	- - -	388	131	257	
22	Niagara	- - -	1,246	137	1,109	- - -	1,658	310	1,348	- - -	6,259	365	5,894	
23	Oakville	- - -	265	100	165	- - -	1,023	150	873	- - -	3,008	280	2,728	
24	Penetanguishene*	- - -	211	100	111	- - -	14	25	- -	- - -	63	25	38	
25	Prescott	- - -	336	100	236	- - -	1,427	264	1,163	- - -	6,853	676	6,177	
26	Port Burwell	- - -	103	51	52	- - -	319	101	218	- - -	2,456	287	2,169	
27	Port Colville and Dunnville	- - -	225	100	125	- - -	767	222	545	- - -	1,748	249	1,499	
28	Port Credit*	- - -	245	100	145	- - -	103	114	- - -	- - -	88	161	—	
29	Port Dalhouse	- - -	725	100	625	- - -	1,104	283	821	- - -	5,337	515	4,822	
30	Port Dover	- - -	460	100	360	- - -	1,700	232	1,468	- - -	3,704	407	3,297	
31	Port Hope	- - -	595	100	495	- - -	1,311	207	1,103	- - -	7,061	523	6,538	
32	Port Sarnia	- - -	132	66	66	- - -	457	198	259	- - -	1,887	280	1,607	
3	Port Stanley	- - -	829	100	729	- - -	5,132	294	4,838	- - -	16,559	779	15,780	
34	Port Talbot	- - -	40	20	20	—								
35	Queenston	- - -	286	100	186	- - -	1,078	244	834	- - -	3,077	329	2,748	
36	Rivére aux Raisins*	- - -	56	28	28	- - -	9	95	- -	- - -	94	95	—	
37	Sandwich	- - -	106	53	53	- - -	1,010	233	776	- - -	7,560	687	6,873	
38	Toronto	- - -	6,720	317	6,403	- - -	27,752	1,392	26,360	- - -	172,576	4,306	168,270	
39	Turkey Point	- - -	165	82	83	- - -	353	139	214	—				
40	Windsor	- - -	330	100	280	- - -	469	160	309	—				
41	Dundee	- - -	- - -	- - -	- - -	- - -	517	330	187	- - -	530	250	280	
42	Lacolle	- - -	- - -	- - -	- - -	- - -	535	388	147	- - -	254	246	8	
43	Compton*	- - -	- - -	- - -	- - -	- - -	69	89	—					

34	Port Talbot	-	-	40	20	20	—	5,132	294	4,838	-	16,559	779	15,780
35	Queenston	-	-	286	100	186	-	1,078	244	834	-	3,077	329	2,748
36	Rivère aux Raisins*	-	-	56	28	28	-	9	95	-	-	94	95	—
37	Sandwich	-	-	106	53	53	-	1,010	233	776	-	7,560	687	6,873
38	Toronto	-	-	6,720	317	6,403	-	27,752	1,392	26,360	-	172,576	4,306	168,270
39	Turkey Point	-	-	165	82	83	-	353	139	214	—			
40	Windsor	-	-	330	100	280	-	469	160	309	—			
41	Dundee	-	-	-	-	-	-	517	330	187	-	530	250	280
42	Lacolle	-	-	-	-	-	-	535	388	147	-	254	246	8
43	Compton*	-	-	-	-	-	-	69	89	—				
44	Clarenceville	-	-	-	-	-	-	250	136	114	-	480	145	335
45	Hemmingford	-	-	-	-	-	-	358	89	269	-	662	145	517
46	Huntingdon	-	-	-	-	-	-	154	114	40	-	135	112	23
47	Russelltown*	-	-	-	-	-	-	122	226	-	-	60	145	—
48	Eaton*	-	-	-	-	-	-	61	88	—				
49	Frelighsburg	-	-	-	-	-	-	436	120	316	-	844	166	678
50	Potton	-	-	-	-	-	-	227	137	90	-	232	143	89
51	Sutton*	-	-	-	-	-	-	94	95	-	-	302	120	182
52	St. Regis	-	-	-	-	-	-	296	226	70	-	944	192	752
53	Dickenson's Landing	-	-	-	-	-	-	474	158	316	-	182	120	62
54	Grafton*	-	-	-	-	-	-	34	50	-	-	10	92	—
55	Maitland*	-	-	-	-	-	-	47	146	-	-	67	209	—
56	Owen's Sound*	-	-	-	-	-	-	34	75	-	-	208	50	158
57	Port Colborne*	-	-	-	-	-	-	85	228	-	-	607	112	495
58	Port Milford*	-	-	-	-	-	-	48	113	-	-	31	148	—
59	Rondeau*	-	-	-	-	-	-	49	92	-	-	313	75	238
60	Sault Ste. Marie	-	-	-	-	-	-	507	135	372	-	736	190	546
61	Wallaceburg	-	-	-	-	-	-	168	85	83	-	590	248	342
62	Wellington*	-	-	-	-	-	-	30	110	-	-	60	107	—
63	Amherst	-	-	-	-	-	-	-	-	-	-	424	125	299
64	Coaticook	-	-	-	-	-	-	-	-	-	-	5,748	656	5,092
65	Gegreville	-	-	-	-	-	-	-	-	-	-	92	115	—
66	Hereford	-	-	-	-	-	-	-	-	-	-	7	2	5
67	New Carlisle	-	-	-	-	-	-	-	-	-	-	1,706	314	1,392
68	Brantford	-	-	-	-	-	-	-	-	-	-	10,730	225	10,505
69	Bytown	-	-	-	-	-	-	-	-	-	-	9,321	227	9,094
70	Brighton	-	-	-	-	-	-	-	-	-	-	202	100	101
71	Bruce Mines	-	-	-	-	-	-	-	-	-	-	421	108	313
72	Cramahe	-	-	-	-	-	-	-	-	-	-	320	156	164
73	Dundas	-	-	-	-	-	-	-	-	-	-	5,849	261	5,588
74	Elgin	-	-	-	-	-	-	-	-	-	-	67	125	—
75	Morrisburgh	-	-	-	-	-	-	-	-	-	-	704	244	459
76	Napannee	-	-	-	-	-	-	-	-	-	-	829	158	671
77	Oshawa	-	-	-	-	-	-	-	-	-	-	1,226	125	1,101
78	Picton	-	-	-	-	-	-	-	-	-	-	1,533	210	1,323
79	Port Rowan	-	-	-	-	-	-	-	-	-	-	1,323	145	1,178
80	Port Trenton	-	-	-	-	-	-	-	-	-	-	574	103	471
81	Stanford	-	-	-	-	-	-	-	-	-	-	20,849	1,621	19,228
82	Saugeen	-	-	-	-	-	-	-	-	-	-	167	115	52
83	Whitby	-	-	-	-	-	-	-	-	-	-	2,540	210	2,330
	Values by Mr. Green's Tables	-	-	2,694,161	-	-	3,159,328	-	-	-	10,132,331	—		
	Inland Ports	-	-	57,573	5,426	52,147	-	130,148	16,502	114,781	-	564,499	30,577	534,548
	From Sea	-	-	168,261	5,969	161,291	-	203,881	13,175	190,722	-	660,693	23,784	637,122
	Add Excess of Expenses	-	-	-	-	-	-	-	1,151		-	-	840	
	Customs Branch	-	-	-	-	-	-	-	2,920	305,503	-	-	4,553	1,171,670
	Deduct Balance to correspond with Public Accounts	-	-	-	-	-	-	-	-	1,145	-	-	-	3,652
	TOTALS	-	-	225,834	11,395	214,438	-	334,029	33,748	304,358	-	1,225,192	59,754	1,168,018

CANADA.

No. 4.
Governor-General Sir E. Head to the Right Hon. Sir W. Molesworth, Bart., 29 Sept. 1855.

— No. 4. —

(No. 131.)

COPY of a DESPATCH from Governor-General Sir *E. Head* to the Right Honourable Sir *Wm. Molesworth*, Bart.

Government House, Quebec, 29 September 1855.
(Received, 15 October 1855.)
(Answered, 19 October 1855, No. 45, p. 35.)

Sir,

Enclosure 1, Montserrat, 16 July 1855.
Enclosure 2, Sir E. Head, 29 Sept.

I HAVE the honour to enclose a copy of a letter from the Officer administering the Government of Montserrat, together with a copy of my answer, which in fact consists, as you will see, of little more than a copy of my former letter to the Governor of Barbados.

I have, &c.
(signed) *Edmund Head.*

Enclosure 1, in No. 4.

Sir, Government House, Montserrat, 16 July 1855.

Encl. 1, in No. 4.

HAVING in the early part of this year on my assumption of the office of President administering this Government, found a communication addressed in November last to the Colonial Secretary from a committee appointed by the Legislature of Canada, having for its object the establishment of reciprocity of trade between that province and the several West India Islands, and being fully convinced that the true interest of Monserrat were alone to be looked for in the direction of the most unrestricted freedom of exchange with the more wealthy and now populous dependencies of the Crown, I lost no time in bringing the subject under the consideration of the Legislature of the island.

In my message recommending a measure framed on these principles to their consideration, I urged on them the policy of at once taking the initiative as far as free trade is concerned not only with Canada, but with the other British North American possessions, and passing a Bill for removing not only all duties on vessels that may arrive for the purposes of trade from those provinces, but also all duties on the produce of those countries imported in such vessels.

These recommendations, I am happy to acquaint your Excellency, received the unanimous concurrence of both branches of the Legislature; and Bills have been passed, and with the sanction of the Governor-in-Chief, assented to by me for giving effect to the establishment of unrestricted trade between this island and the whole of the British Possessions in North America.

The Act relieving all vessels arriving at this port from the payment of tonnage dues is now in operation, and the other Act abolishing all duties on articles of the growth, produce or manufacture of the British North American Possessions has been forwarded to the Governor-in-Chief for the purpose of being transmitted to the Imperial Government, there to await the assent of Her Majesty, before it can come into operation; as owing to a loan from the Imperial Treasury being charged on the revenues of the island, it was necessary to insert a suspending clause in the enactment.

As soon, however, as the assent of Her Majesty has been notified to the Executive here, I will do myself the honour of transmitting a copy of the Act to your Excellency, with a request that the same may be communicated to that portion of the mercantile community in Canada who are engaged in the West India trade.

I have, &c.
His Excellency Sir Edmund W. Head. (signed) *Edward E. Rushworth.*

Enclosure 2, in No. 4.

Sir, Government House, Quebec, 29 Sept. 1855.

Encl. 2, in No. 4.

5 July 1855. Vide p. 5.

IN replying to your Excellency's despatch of the 15th July last, I cannot do better than enclose to you a copy of the answer which I made to a communication, which I received in July last from his Excellency the then Governor of Barbados, relating to free commercial intercourse between Canada and the British West India possessions.

This answer will show your Excellency the true position of Mr. Merritt, and the committee over which he presided. You will see that the Legislature of Canada has not yet acted in the matter, and however desirous I might be of meeting advances made by other colonies, it would be my duty to wait for some movement on the part of the Canadian Legislature. I think it possible too, that a circular despatch from the Colonial Office may since that time have pointed out other difficulties in the way of immediate action.

I have, &c.
His Excellency Edward E. Rushworth, Esq. (signed) *Edmund Head.*
President administering the Government of Montserrat.

CANADA.

Despatches from the Secretary of State.

— No. 5. —

(No. 18.)

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth* to Sir *Edmund Head.*

No. 5. Right Hon. Sir W. Molesworth, Bart., to Sir E. Head, 16 August 1855.

Sir, Downing-street, 16 August 1855.

I HAVE to acknowledge the receipt of your despatch,* No. 88, of the 20th of July last, relative to a proposal made by Mr. Merritt, as Chairman of a Committee of the Legislative Assembly of Canada, for establishing free commercial intercourse between that province and the British West Indies. Previously to the receipt of your despatch, that proposal had been brought to my notice by the respective Governors of British Guiana and Barbados, and I now transmit for your information and guidance a copy of a circular despatch, which I have addressed to the Governors of the several West Indian colonies on this subject.

* Page 4.

11 August 1855. Vide page 3.

I have, &c.
(signed) *W. Molesworth.*

— No. 6. —

(No. 45.)

COPY of a DESPATCH from the Right Honourable Sir *G. Grey*, Bart. to Sir *Edmund Head.*

No. 6. Right Hon. Sir G. Grey, Bart., to Sir E. Head, 19 October 1855.

Sir, Downing-street, 19 October 1855.

I HAVE to acknowledge the receipt of your despatch † of the 20th September, No. 131, enclosing the copy of a correspondence which has taken place between yourself and the Officer administering the Government of Montserrat, and I have to convey to you my approval of the answer which you have returned to his letter.

† Page 34

I have, &c.
(signed) *G. Grey.*

WINDWARD ISLANDS.

Correspondence with the Governor-in-Chief of the Windward Islands.

— No. 7. —

(No. 27.)

COPY of a DESPATCH from Governor Sir *W. Colebrooke* to the Right Honourable Lord *John Russell.*

No. 7. Governor Sir W. Colebrooke, to the Right Hon Lord J. Russell, 3 May 1855.

Windward Islands, Barbadoes, 3 May 1855.
(Recived, 8 June 1855.)
(Answered, 11 August 1855, No. 4, p. 50.)

My Lord,

INFORMATION having been received from Canada that a legislative inquiry was in progress for investigating the present state of the commercial intercourse between Canada, Great Britain, the British North American Possessions, the West India Colonies, the United States, and other foreign countries, and as it was a special object of the inquiry, to ascertain the practicability of removing all fiscal restrictions between these colonies and Canada by the way of the River St. Lawrence, and thereby to promote an intercourse reciprocally advantageous, the subject was brought by me under the consideration of the Council and

WINDWARD ISLANDS.

Assembly of Barbadoes, and I have the honour to enclose copy of their addresses, which I have forwarded to the Governor-general of Canada, for the information of the Legislature of that colony.

Address of Assembly, 7 April 1855. Resolutions, 17 April 1855. Council Chamber, 1 May 1855.

The considerations which have weighed with the Assembly in passing the Resolutions enclosed with their Address, and with the Council in adopting them, have been the benefit they anticipate from a revival of a trade with the North American colonies on the liberal terms proposed, by which they will be relieved from an exclusive dependence for their supplies of flour, fish, and lumber, on the United States, where their own produce is excluded by the high duties imposed on it.

I have, &c.
(signed) *W. M. G. Colebrooke.*

Enclosure 1, in No. 7.

The House of Assembly to His Excellency the Governor.

Encl. 1, in No. 7.

THE Assembly, in acknowledging the receipt of the Governor's message of the 20th ultimo, on the subject of "a legislative inquiry, now in progress in Canada, for investigating the present state of the commercial intercourse between Canada, Great Britain, the British North American Possessions, the West Indies, the United States, and other foreign countries," beg to inform his Excellency that two resolutions in reference thereto have this day been passed by the House, copy of which is herewith forwarded for the information of his Excellency the Governor.

(signed) *J. Thomas,*
Speaker.

House of Assembly, 17 April 1855.

Enclosure 2, in No. 7.

House of Assembly, 17 April 1855.

Encl. 2, in No. 7.

WHEREAS a message has been sent to this House by his Excellency the Governor, under date the 20th March 1855, enclosing copy of correspondence relative to a proposed free interchange between this island and Canada, of the native products of the two countries, and recommending the same to the favourable consideration of this House; and whereas this House has given the subject, as set forth in the said message and enclosure, most careful consideration, and has come to the conclusion that the proposed interchange of commodities, the native products respectively of this island and of Canada, free of duty, would be mutually beneficial to both countries, and be attended with peculiar advantages to the people of this island in particular, and that it is to the interest of the people of this island to accede to the same; therefore,

1. Resolved, that this House pledges itself to pass an Act for admitting articles being the native productions of Canada into this island free of duty, so soon as information shall have duly reached this House that a similar Act has been passed by the Legislature of Canada, for admitting into that country, duty free, articles being the native productions of this island.

2. Resolved, That it be made a special provision of such Acts respectively, that the free commercial intercourse thus entered upon between the two countries may be terminated at any time, by either country, on giving one whole year's notice of such intended termination to the other country, through their respective Executives, moved thereunto by a resolution of the Legislature of the country giving such notice.

(A true copy.)

(signed) *John Mayers,*
Clerk to the General Assembly.

Enclosure 3, in No. 7.

Encl. 3, in No. 7.

THE Legislative Council have the honour to acknowledge his Excellency the Governor's message of the 24th ultimo, with the resolutions therein enclosed, which had been passed by the House of Assembly, on the subject of a recent communication from the Legislature of Canada, respecting the trade between that province and these islands.

The Council having this day proceeded to the consideration of the resolutions in question did unanimously concur in them.

(signed) *John S. Gaskin,*
President.

Council Chamber, 1 May 1855.

—No. 8.—

No. 8. Governor Sir W. Colebrooke to the Right Hon. Lord J. Russell, 18 June 1855.

EXTRACT of a DESPATCH from Governor Sir *William Colebrooke* to the Right Honourable Lord *John Russell;* dated 18 June 1855. (No. 40.)

(Answered, 4 September 1855, No. 4, p. 52.)

I HAVE the honour to forward a despatch from the Lieutenant-governor of Grenada, with the Blue Book for 1854.

Enclosure in No. 8.

EXTRACT of the Report of the Lieutenant-Governor of Grenada on the Blue Book for 1854, dated 22 May 1855.

Encl. in No. 8.

IF the fancied possibility of a return to the principle of differential duties were still the sole ground of the planters' hopes, I should look upon them as purely delusive, but I am glad to observe that attention is beginning to be turned to the opening of new markets rather than to the artificial improvement of old ones. The proposition of the Canadian Legislature to establish a free interchange of the productions of all the British colonies in America, though it has not yet been responded to by the Legislature of Grenada, has served at all events to give a wider range to thought and opinion upon this subject. Indications are not wanting of such a gradual change being going on in the policy of foreign nations as may lead eventually to the emancipation of these colonies from their dependence upon the comparatively restricted markets to which they have at present access, and in my humble view of the case, the attainment of this object would be the commencement of a new era of prosperity for them.

—No. 9.—

No. 9. Governor Sir W. Colebrooke to the Right Hon. Lord J. Russell, 18 July 1855.

(No. 62.)

COPY of a DESPATCH from Governor Sir *W. Colebrooke* to the Right Honourable Lord *John Russell.*

Windward Islands, Barbados, 18 July 1855.

(Received, 16 August 1855).

(Answered, 3 September 1855, No. 16, p. 52.)

My Lord,

I HAVE the honour to transmit a copy of the speech with which I have this day opened the annual Session of the Legislature of Barbados.

I have, &c.

(signed) *W. M. G. Colebrooke.*

Enclosure in No. 9.

EXTRACT of Speech of the Governor-in-Chief, in opening the Session of the Legislature of Barbados, on Wednesday 18 July 1855.

Encl. in No. 9.

THE resolutions for opening a free trade with Canada will facilitate the revival of a beneficial intercourse with the largest of those provinces with which it is alike the policy and the interest of these colonies to establish the most intimate relations.

—No. 10.—

No. 10. Governor Sir W. Colebrooke to the Right Hon. Lord J. Russell, 26 July 1855.

(No. 65.)

COPY of a DESPATCH from Governor Sir *W. Colebrooke* to the Right Honourable Lord *John Russell.*

Windward Islands, Barbados, 26 July 1855.

(Received, 16 August 1855.)

(Answered, 28 August, No. 15, p. 51.)

My Lord,

HAVING in my speech on opening the Session alluded to the resolutions of the Legislature in favour of a free trade with Canada, which were forwarded with my despatch, No. 27,* of the 3d May last, and having subsequently noticed in the

* Page 35.

WINDWARD ISLANDS.

the English Journals that inquiry had been made in Parliament on the subject of the Canadian proposals for establishing such an intercourse with the West Indies, and that on the report of the Board of Trade, it had been determined by Her Majesty's Government not to give support to such a proposal, I am induced at this time to trouble your Lordship with a short review of the correspondence which has passed from time to time in regard to the fiscal regulations and trade of these colonies, in the full assurance of the disposition of your Lordship to afford a liberal support to them in their efforts to retrieve their affairs, by the adoption of those principles which are in accordance with the policy of the United Kingdom, and conducive to the welfare of all classes of the people.

2. In my report on the Blue Book for 1850, I took occasion to point out that a large part of revenue of these islands, which had formerly been collected internally, had been latterly raised by increasing the customs duties on imports, and which were indiscriminately imposed on corn and other necessaries of life, as well as on articles of luxuries. These supplies were for the most part received from the United States, and being paid for in money, it became an object at once to relieve the colonies from the duties on corn and other subsistence of the people, and to be able to obtain them in exchange for their own produce, virtually excluded from the United States by high protecting duties. The proposal, therefore, which originated in Canada, was favourably received, and recollecting that the trade in supplies from British North America was, at a former period, promoted and protected by Parliament, it was not doubted that the renewal of such an intercourse would meet with encouragement from Her Majesty's Goverment, were it only to relieve the colonies from dependence for their subsistence on the United States.

3. Not being aware of the views which may have been embodied in the report stated to have been made by the Board of Trade, I am only able to infer that it may have originated in an apprehension that a free admission into Canada of sugar and molasses from hence, might divert a part of the produce of these colonies from the home markets, an apprehension which, if really entertained by Her Majesty's Government, may be met by the remark, that from the relative population of Canada, its consumption could hardly have any appreciable effect on the supply of the United Kingdom open to the markets of the world. I am disposed, however, to consider the question upon more general grounds.

4. Whatever may have been the circumstances which led to the imposition in England of high duties on the produce of these colonies, it was fully conceded in the reply to the petition of the Barbados Legislature in 1853, that their progressive reduction in accordance with the principles of free trade, was only a question of time; and however discouraging those duties have been to the West India planters, being aware of the pressure of the war on the resources of the United Kingdom, they have complained only that the produce of the Spanish colonies, raised by means of their flagrant violation of the treaties for abolishing the slave trade, should be admitted into the United Kingdom, in competition with their own.

In regard to the immediate question, although the West India planter would derive some advantage from disposing of a part of his produce in Canada, the chief benefit from such an intercourse would arise from the repeal of the duties on corn and provisions, and the payment for them in the produce of the colonies. No steps would of course be taken to effect this object, until Canada, with the sanction of Her Majesty's Government, had repealed the duties on sugars imported from hence, and although it would be preferable that the duties on imported corn, &c. should be generally repealed, as they have been in the United Kingdom, and as I had before recommended to the Legislature, with the approval of the Duke of Newcastle, yet I hope that your Lordship will not object, under the circumstances of the case, to the exemption of such supplies received from Canada from the operation of those duties, if an Act should be passed for that purpose.

I have, &c.
(signed) *W. M. G. Colebrooke.*

WINDWARD ISLANDS.

No. 11.
Governor Sir W. Colebrooke to the Right Hon. Lord J. Russell, 7 August 1855.

— No. 11. —

(No. 67.)

COPY of a DESPATCH from Governor Sir *W. Colebrooke* to the Right Honourable Lord *John Russell*.

Windward Islands, Barbados, 7 August 1855.
(Received, 6 September 1855.)

My Lord, (Answered, 18 September, 1855, No. 18, p. 53.)

I HAVE had the honour to receive your Lordships' despatch * marked circular, of the 12th July last, in which my attention is called to a circular despatch addressed to the Governors of colonies by Lord Stanley, on the 24th of May 1843, on the subject of the imposition of discriminating duties, and adverting to the alterations in the commercial policy of Her Majesty's Government, which have subsequently taken place by the adoption of the principles of free trade; I am instructed to withhold assent to Bills passed by the Colonial Legislature, if they should contain provisions either in the nature of prohibitions of the importation of articles from elsewhere (except in certain cases), or imposing differential duties, whether on articles of British, foreign or colonial production, as against similar articles in this colony, or in favour of one colony against another.

* Page 1.

In carrying these instructions into effect, as they would appear to have reference to the resolutions of the Council and Assembly of Barbados, forwarded with my despatch No. 27, † of the 23d May, in regard to which I recently addressed your Lordship in my despatch No. 65, ‡ of the 26th July last, I venture, from the strong interest felt by the colonists in the liberation of their trade, to trouble your Lordship with some further observations.

† Page 35.
‡ Page 37.

The proposal referred to in those resolutions having originated in Canada, where the principles of reciprocal free trade with the United States had recently been recognised by treaty, with the sanction of Her Majesty's Government and of Parliament, it was not doubted that the desire of the Canadians to establish a similar intercourse with these colonies, would receive the same encouragement; and I need not remark, that any opening to extend those relations to other countries, British or foreign, would have been met in the same spirit. It was therefore with no narrow or exclusive views that the question was taken up, and if the Legislature did not generalize their resolution, as according to your Lordship's despatch they would have been authorised to do, it was only that the reciprocal advantages which were the basis of the Canadian treaty with the United States, had not elsewhere been held out to them.

I have, however, observed in the recent communications between the Governor and the legislative bodies in Newfoundland, that the latter had been invited to adopt the Canadian treaty for reciprocal free trade with the United States, as soon as the Act of Parliament embodying and carrying it into effect should be laid before them. I am not aware of the provisions of that treaty, but if it should be open to these colonies to avail themselves of the same privileges, it would be their obvious interest to do so.

Having recently had occasion to allude to the rapid declension of some of these colonies, occasioned by the withdrawal of capital and the diminished production of sugar, it is right to remark, that notwithstanding the advantages which have hitherto favoured Barbados, there is not that encouragement for the investment and employment of capital in the island, which is required for the due support and encouragement of its agriculture.

In these circumstances, it is of material importance to the planter to have access to markets from whence supplies can be obtained in exchange for their own produce, and if such facilities should lead, as might be hoped, to the revival and extension of sugar cultivation in these islands, their trade with the United Kingdom on which they depend for all manufactured products would be proportionately augmented.

In 1854, the imports of the Windward Islands exceeded a million sterling, of which one-half was received from Great Britain, and the other half from foreign states and British colonies.

I have, &c.
(signed) *W. M. G. Colebrooke.*

WINDWARD ISLANDS.

No. 12.
Governor Sir W. Colebrooke to the Right Hon. Lord J. Russell, 13 August 1855.

— No. 12. —

(No. 70.)

COPY of a DESPATCH from Governor Sir *William Colebrooke*, to the Right Honourable Lord *John Russell*.

Windward Islands, Barbados, 13 August 1855.
(Received, 7 September 1855.)
(Answered, 18 September 1855, No. 18, p. 53.)

My Lord,

SINCE closing my despatch, No. 67,* of the 7th instant, I have had an opportunity of referring to the treaty concluded between Her Majesty and the United States of America at Washington, on the 5th June 1854, by which I find that the admission of Newfoundland to its privileges in common with the British Provinces of North America has been sanctioned by a special provision, not extending to others of Her Majesty's colonies; but if a similar treaty should admit of being negotiated in behalf of these colonies with the United States from whence they derive their supplies of raw produce, encouragement would be given to the re-investment of capital, and to the extension of their commerce with the United Kingdom, and with other countries.

* Page 39.

I have, &c.
(signed) *W. M. G. Colebrooke.*

No. 13.
Governor Sir W. Colebrooke to the Right Hon. Sir W. Molesworth, Bart., 11 Sept. 1855.

— No. 13. —

(No 12.)

COPY of a DESPATCH from Governor Sir *William Colebrooke* to the Right Honourable Sir *W. Molesworth*, Bart.

Windward Islands, Barbados, 11 September 1855.
(Received, 3 October 1855.)
(Answered, 10 October 1855, No. 2, p. 53.)

Sir,

I HAVE had the honour to receive your circular despatch* of the 11th ultimo, transmitting for my information the copy of a letter from the Lords of the Committee of Privy Council for Trade on the subject of a proposal made for the mutual abolition of customs duties upon the productions of Canada and of the West India colonies.

† Page 3.

You inform me that the proposed arrangement would for several reasons be considered by you as objectionable.

That it would separate commercially the colonies entering into it from the rest of the empire; that it would be injurious to the consumers of the colonies who were a party to it, and to producers in other parts of the empire; and that it would be inconsistent with the Imperial policy of free trade.

When the proposal in question was received and considered by the Legislature of Barbados, it was clearly understood to have been limited to an inquiry as to the disposition of these colonies in common with other countries to enter into free trade relations with Canada, and having been addressed to the several islands under this Government, resolutions in its favour were passed by the Legislatures of Barbados and St. Vincent, the latter attaching a condition that the sugars of the Spanish colonies carrying on the slave trade should be excluded. Such a condition Barbados also would readily have supported, but it was left to the legislature of Canada, a country which has been the refuge of fugitive slaves, spontaneously to adopt the principle. The Barbados resolutions I transmitted with my despatch, No. 27,† of the 3d May last, and as no observations were made on them at the time by the Secretary of State, and as I did not anticipate that any objection to the measure was likely to arise, I noticed the subject at the opening of the present Session on the 18th July, having previously thought it right to apprize the Governor-general of Canada of the communication which had been received, and of the disposition of the Legislature, with the sanction of Her Majesty's Government to respond to it.

Extract, St. Vincent, No. 43, 10 April 1855, page 43.

‡ Page 35.

On observing the notice taken of the subject in Parliament, I became first aware of the adverse view taken of it by the Government, which led me to explain the grounds of my own opinion in its favour, and further to urge the question

WINDWARD ISLANDS.

Page 1.

question in answer to Lord J. ... Russell's Circular Despatch of the 12th July* last, and in again assuring you that your instructions and those of his Lordship will be implicitly attended to, I cannot but express my unfeigned concern at the failure of an opening to these struggling colonies to exchange their produce with Canada and the other North American provinces for the supplies now paid for in money, which is employed by the Americans in the purchase of sugars at Cuba and Porto Rico, thereby abstracting capital from the British colonies to the encouragement of the slave trade, with which they are exposed to competition in the British as well as in the American markets. That such an interchange should tend to the diversion for a time of the trade in supplies from the United States to the North American provinces is probable, but as the Americans would be anxious to preserve that trade, they would probably find it their interest to reduce or abolish the high protecting duties levied in their ports on the produce of these colonies. One effect the colonists anticipated was the liberation of the capital now employed in the provision trade, and the encouragement to its investment with other capital in sugar planting, and a vast and rapid increase in the production of their staple exports, while the negro population, many of whom are suffering from the loss or limitation of employment, and from the present high price of provision, would obtain not only full wages, but the command of cheap subsistence, so far as they are dependent on imported supplies.

These arrangements, if carried out with the consent of Her Majesty's Government, with the North American Provinces, or by treaty with the United States, would unquestionably be partial and exceptional until generally recognised and established, and having already recommended to the Legislature, with the sanction of the Secretary of State, that the corn and provision duties should be wholly repealed, and that a duty on rum consumed should be substituted, and the question having been entertained, I have anticipated no difficulty in these colonies in arriving at this result; but dependent, as they are, for their supplies in the North American continent, their claims to consideration are as strong as those of Canada were when the treaty with the United States was concluded; and although such a measure might intermediately create some difference in the Canadian markets between the price of sugars received from the colonies comprehended in the agreement and from other countries, the tendency would be in favour of the principle of free trade and not of protection, and as it would be open to other countries to enter into the like arrangement, the remedy would be in their own hands. As to the practical effect in substituting the sugars of the British colonies for those of Cuba in the North American markets, if it led to the discouragement of the nefarious slave trade, carried on in violation of treaties in the Spanish colonies, it could be regarded only as a signal service rendered to the cause of humanity and justice, by cheapening the supplies of the colonies, the consumer also would have no cause to be dissatisfied, while, by the admission of other producers to similar privileges any complaints that they might urge would be obviated.

As to the differential duties, the anomalies which have grown out of the privilege accorded to every little colony in these seas to impose Customs' duties for all purposes varying in the rates from year to year, according to the exigencies of each, is a far more serious cause of disturbance to commerce than any which the measure in question could produce. These duties often capriciously and injuriously imposed, it has been my object to assimilate, by restricting the imposition of them to a General Assembly. These duties, varying in neighbouring colonies from 3 to 10 per cent. on imports, of which an annual return is made to Parliament, and the export duties, which are in some cases levied, generate a greater amount of irregularity than would result from the gradual approximation to the principles of free trade, as openings might present themselves. Such measures being conducted under the sanction, and with consent of Her Majesty's Government, to whom the subsisting engagements with other countries are at all times fully known.

There is, however, one important consideration which remains to be noticed. The sugar trade in the British West India colonies has hitherto, from circumstances, been for the most part carried on with the United Kingdom, and being there subject, in common with other sugars, to heavy import duties, which it may be impracticable to repeal during the war, the command of the North American markets on more favourable terms for a time, and until cultivation could

WINDWARD ISLANDS.

could be restored, might divert a part of the produce of the colonies to that quarter, and if the markets of the United States were to be added, the proportion might eventually be considerable; but as the rapid increase in the production of sugar in Mauritius, estimated in 1855 at 200,000,000 pounds (127,551 hogsheads), with an annual addition of 20,000,000 pounds (12,755 hogsheads), could not probably have been attained, even with the aid of 100,000 coolies, without the stimulus derived from the profits of the Australian markets, so might the command of the American markets be reasonably expected to afford similar encouragement to the investment of capital in these colonies till the supply was fully adequate to meet the augmented demand, and all that would be required in the expectation of this result would be, to fix a prospective date when the measure should come into operation, and sufficiently distant to allow of the additional produce to be raised and brought to market. Unfortunately, in the present condition of these colonies, all classes are suffering to a degree which renders some measure of relief of the greatest urgency, for, exposed to the competition of the Spanish colonies, stimulated by the slave trade, and at the same time subject to the pressure of the present high duties in the United Kingdom, the reduction of profits has checked the employment of capital.

The resident proprietor, as the frugal farmer of his own lands, who has to defray commercial and agricultural charges, and to advance 30 per cent. for duties, though submitted to a severe struggle, endeavours to sustain it, but the absent proprietor, who has fewer ties, and the commercial agent, who has no tie except the present profit he can derive from his transactions, abruptly suspends them, and hence in the smaller colonies, where estates are for the most part in the hands of attornies, lands are abandoned, sugar works dismantled, and labourers thrown out of employment, and with their families dispersed.

In Tobago, St. Vincent, St. Lucia, and Grenada, there are examples of these results, indicating the diminished production of those colonies, and as I have already had occasion to report, the increasing pressure upon all classes of the local taxes, which will necessitate the early adoption of comprehensive measures for their relief, if these colonies are to be rescued from bankruptcy and ruin.

It should be remembered that the cultivation and manufacture of sugar necessitate the employment of large capitals, the returns upon which are precarious, and tardily realised; so that an unfavourable crop or a fall in prices may involve the entire loss of the advances made for its production, and where those advances may be withheld or suddenly withdrawn from the reduction of profits and the uncertain state of the markets, the situation of the most skilful planters must be precarious, nor can the negro peasantry be readily made to understand that the continued cultivation of an estate must depend on the reduction of wages as well as of other charges.

Having taken charge of this Government in 1848, a period of commercial depression, I can attest the severity of the struggle at that time even in Barbados, and the difficulty of reconciling the labourers to the low rates of wages, which alone enabled the planters to continue the cultivation of their estates, while in the smaller islands the public peace has not unfrequently been menaced and disturbed from the disputes thus engendered.

In explaining the position of the various classes in these colonies which depend on the cultivation of sugar, I am aware that no political motive could weigh in their case to induce Her Majesty's Government to deviate from their general policy, as in the case of Canada, but I do not the less earnestly and confidently appeal to their consideration of the just claims of the people of every class, to support under their present depression, and if as I fully anticipate, the command of the American markets should give a similar impulse to these colonies, to that which Mauritius has received from its proximity to Australia, and which has been equally beneficial to proprietors and labourers, I cannot doubt that the United Kingdom will fully participate in the benefit which will result from an increased production of sugar to meet a more extended demand, and when the exigencies of the public service may enable Her Majesty's Government to reduce the duties now imposed in accordance with the view indicated in the Duke of Newcastle's despatch, in answer to the Barbados Memorial of 1853, it will be found that the revenue will be amply sustained by the rapid increase of consumption of an article in such general demand as sugar.

I am the more anxious to put the Government into possession of my views on

on this important subject, in the prospect of an early termination of my official connexion with these colonies. The connexion began with the great social changes which they have undergone, and lamenting as I do the circumstances which have retarded their progress, I shall esteem myself fortunate if the latest act of my administration should be effectual in removing some of the obstacles to their agricultural prosperity through the liberation and extension of their trade.

WINDWARD ISLANDS.

Were the colonies less weak and helpless than they are, the question might have been left to depend for its support on their own exertions, but there are occasions when the people of these islands, looking up with confiding loyalty and attachment to their Sovereign, expect that questions vitally affecting them should be advocated by her representative, who residing among them, and familiar with their condition, and moreover having no personal interest in their speculations, would be unfaithful to his trust in withholding his opinion from Her Majesty's Government, however open it may be to correction from their more comprehensive views of the interests of the empire at large.

I have, &c.
(signed) *W. M. G. Colebrooke.*

Enclosure in No. 13.

Sir, Government House, St. Vincent, 10 April 1855.

I HAVE the honour to transmit to your Excellency a copy of the Speaker's reply to my message of the 28th February 1855, No. 5, on the subject of the reciprocal removal of all restrictions upon a free commercial intercourse between Canada and St. Vincent.

Encl. in No. 13.

I have, &c.
His Excellency Sir William Colebrooke, C. B. (signed) *E. Eyre.*

Sub-Enclosure in No. 13.

Sir, Committee Rooms, Court House, 7 April 1855.

I HAVE the honour to acknowledge on the part of the honourable the House of Assembly your Excellency's joint message, No. 5, enclosing copy of a letter from the chairman of committee of the Legislature of Canada to the Colonial Secretary of this Island, in which inquiry is made, "whether, in the event of the productions of this island being admitted into Canada free of duty, this Government is prepared to remove the duty upon the productions of Canada, by the way of the St. Lawrence, on the like terms immediately, or within a given time."

On the part of the honourable House I am instructed to reply, that provided the Legislature of Canada excludes the admission of sugar and molasses the products of slave labour, from their markets, except at the rates of duty now or heretofore in force, and so long as that exclusion continues, this House will be prepared to remove the duties upon the productions of Canada by way of the St. Lawrence, upon the productions of this Government being admitted free from duty into Canada.

I have, &c.
His Excellency E. J. Eyre, Esq., Lieut-Governor. (signed) *J. Clement Choppin,* Speaker.

—No. 14.—

(No. 81.)

COPY of a DESPATCH from Governor Sir *W. M. G. Colebrooke* to the Right Honourable Sir *W. Molesworth*, Bart.

No. 14. Governor Sir W. Colebrooke, to the Right Hon. Sir W. Molesworth, Bart., 24 Sept. 1855.

Windward Islands, Barbados, 24 Sept. 1855.
(Received, 19 October 1855.)

Sir, (Answered, 19 October 1855, No. 2, p. 53.)

I HAVE had the honour to receive your despatch, No. 15,* of the 28th ultimo, in acknowledgment of mine of the 26th July, on the subject of the Barbados Resolutions in favour of the mutual abolition of customs duties on the productions of Canada and Barbados.

* Page 51.

WINDWARD ISLANDS.

* Page 39.
† Page 40.

Having in my despatch, No. 67,* of the 7th ultimo, and more recently in my general despatch, No. 12,† of the 11th instant, stated fully the considerations which had weighed with me in advocating the measure, I need only refer to those despatches to remove an impression that, in desiring to open a free intercourse with Canada, I have been insensible to the importance of carrying out the principles of free trade with other countries, having, as already explained, previously recommended to the Assembly to repeal the duties on corn, &c., and to substitute a duty on rum consumed.

I would also refer to the memorial of the Legislature in 1853, in proof of their acceptance and advocacy of those principles; and if the present relations of trade with Great Britain and other countries preclude their general application at present,, it has been the desire of the Legislature to adopt them so far as might be practicable.

The circumstance which has retarded the general repeal of the corn duties, and the substitution of a duty on rum consumed, has been the financial difficulties of the island occasioned by the cholera, which prevailed in the last year, and the necessity of appropriating the latter revenue to the discharge of the public obligations. The resolutions, therefore, in favour of the mutual repeal of duties in Barbados and Canada contemplated the substitution of some direct tax as an equivalent for the revenue to be surrendered; and the proviso, that the arrangement might be terminated on giving a year's notice, had in view to guard, though I think needlessly, against the contingency that the revenue could not be spared; and I have only to add, that, if under the present high prices of provisions, the effect of such a measure were to increase and not to reduce the price of imported supplies on which the labouring classes depend, no advantage to the sugar planters would have induced me for a moment to have given it my support.

Your recognition of the loyal and patriotic spirit of the West Indian colonists in submitting, with their fellow subjects in the United Kingdom, to the necessities which the war has created, is calculated to afford them great satisfaction; and I feel assured that, if they have been led to take a different view upon questions affecting their interests, from those which have actuated Her Majesty's Government, they have been only desirous that an opportunity should be afforded to them of bringing the circumstances of their position to the full knowledge of the Government.

You are already aware that the liquidation of the incumbrances occasioned by the destruction of property in the hurricane of 1831, has recently been the subject of an anxious correspondence with the Loan Commissioners, added to which, there are other liabilities, some of long standing, for which the estates are responsible; and the large advances required to maintain cultivation from year to year, the repayment of which depends on the seasons and the markets, if unredeemed, are added to the debt to accumulate at compound interest of 6 per cent. per annum; and where such advances are withheld, of which there are examples in these islands during the present year, it usually involves the ruin of the estate, and the entire sacrifice of the capital secured upon it. Hence the efforts made to maintain and extend the cultivation of estates to meet the reduction of profits; and in Barbados, where there is a greater number of resident proprietors than in the other islands, their labours and sacrifices are strikingly contrasted with that improvident management which has at other times been attributed to West India proprietors or their agents.

Thus, in 1842, 301,630 cwts. of sugar were exported at an average value of 44 *s.* 5 *d.* per cwt.; in 1847, 451,598 cwts., at 28 *s.* 10 *d.*; and in 1852, 682,990 cwts., at 21 *s.* 8 *d.*, exhibiting a progressive increase in the quantity, with a diminution of the returns.

That the present situation of the planter may be correctly appreciated, I enclose an account which has recently been rendered to the proprietor of the sale of two hogsheads of 28 cwt. of sugar at prices, above the average rate of 35 *s*, per cwt., from which it will be seen that, after deducting the duty of 15 *s.* and the commercial charges of 6 *s.* per cwt., there remains a balance of 16 *s.* per cwt., from which to redeem the planter's expenses, varying from 14 *s.* to 16 *s.* per cwt., without including interest on the advances or rent of the land.

See Statement No. 2, p. 45.
See Statement No. 1, p. 45.

In this position the command of a free market, or one where the duties are moderate, holds out encouragement to the merchant to assist the planter, from the prospect of remuneration for the capital advanced or invested.

In Barbados, where there is an effective command of labour, combined with the frugal

WINDWARD ISLANDS.

frugal management of estates, this assistance will readily be afforded; and in the other islands the introduction of immigrants would afford a like stimulus, and, as might be hoped, facilitate the restoration of the estates which have been dismantled.

From Mauritius, possessed of these advantages, while the markets of Australia have been supplied, the quantity of sugar imported into the United Kingdom appears to have been increased in 1854 to 1,662,189 cwts., or 409,920 cwts. in excess of the supply of 1853, and 640,127 cwts. more than the entire importation from Barbados and the Windward Islands in 1854.

From the tenor of the inquiries originated in Canada, I am led to conclude that the object of them has been to effect a progressive abolition of all custom-house charges on their trade with other countries, upon the principle of the recent treaty with the United States; and from the great impulse given to the prosperity of countries where the people of every class have been willing to submit to direct taxation in order to effect the liberation of their commerce, I should be prepared to advocate such a principle of free trade without any reference to the fiscal regulations of other communities.

I have, &c.
(signed) *W. M. G. Colebrooke.*

Enclosure in No. 14.

Encl. in No. 14.

No. 1.

AGRICULTURAL CHARGES (Average of Four Estates).

	£.	s.	d.
Expended in tillage	625	-	-
Workmen's accounts	175	-	-
Plantation supplies	267	1	8
Manures	83	6	8
Colonial taxes	31	5	-
Stock	62	10	-
Salaries of manager, book-keeper and agent	145	16	8
£.	1,390	-	-
Deduct, value of rum and molasses	416	13	4
Cost of producing 100 hogsheads of sugar	973	6	8
Cost of producing 1 hogshead of sugar	9	14	8
Cost of producing 1 cwt. of sugar	-	14	-

No. 2.

SALE of TWO HOGSHEADS SUGAR, ex "Trial," from Barbadoes, with Duties and Commercial Charges.

1855:	Cwt. qrs. lbs.	£.	s.	d.	Cwt. qrs. lbs.	£.	s.	d.	£.	s.	d.
9 August	15 2 4	1	2	7	13 3 25 at 37s. 6d. =	26	3	11			
"	15 1 21	1	2	7	13 3 14 at 36s. 6d. =	26	6	5			
									51	10	4

CHARGES.

Cwt. qrs. lbs.	£.	s.	d.	£.	s.	d.
Duty on 28 0 0 at 15s. =	21	-	-			
Freight on 28 1 6 at 3s. 6d. =	5	4	-			
Landing, weighing and sampling =	-	6	-			
Dock charges, 2s. 4d.; reweighing and unhousing, 2s. =	-	4	4			
Storage, 6s.; fire insurance, 8d. =	-	6	8			
Advertising and auctioneers' fees =	-	5	6			
Insurance and policy on 36 l. =	-	7	10			
Interest on duty and freight =	-	9	3			
Guarantee, 1 per cent.; and brokerage, ½ per cent. =	-	15	5			
				28	19	-
				22	11	-
Commission, 2½ per cent. =				-	11	3
Net proceeds due 12th December £.				22	1	-

London, 16 August 1855.

E. & O. E.

No. 15.

No. 15. Governor Sir W. Colebrooke to the Right Hon. Sir W. Molesworth, Bart., 9 October 1855.

(No. 86.)

COPY of a DESPATCH from Governor Sir *W. M. G. Colebrooke* to the Right Honourable Sir *W. Molesworth*, Bart.

Windward Islands, Barbadoes, 9 October 1855.
(Received 31 October 1855.)

Sir,

I HAVE had the honour to receive your despatch No. 16,* of the 3d ultimo, in which, referring to mine, No. 62,† of the 18th of July, you have enjoined the observance of caution in the expression of opinions to the Legislature on questions affecting the general policy of the empire, and I beg leave to explain that having, in my despatch, No. 27,‡ of the 3d May, forwarded the resolutions of the Assembly as to the reciprocal exemptions from duties of the produce of Canada and of the West Indies, without receiving any reply to that communication when the Assembly met on the 18th July, I was led to conclude that the proposal had met with the approval and sanction of Her Majesty's Government, and I have only to add that Lord John Russell's circular of the 12th of July, and your own of the 11th of August, have been duly communicated to the Legislature.

* Page 52.

† Page 37.

‡ Page 35.

Pages 1 and 3.

I have, &c.
(signed) *W. M. G. Colebrooke.*

— No. 16. —

No. 16. Governor Sir W. Colebrooke to the Right Hon. Sir W. Molesworth, Bart., 22 October 1855.

(No. 90.)

COPY of a DESPATCH from Governor Sir *W. M. G. Colebrooke* to the Right Honourable Sir *W. Molesworth*, Bart.

Windward Islands, Barbados, 22 October 1855.
(Received, 14 November 1855.)

Sir,

I HAVE had the honour to receive your despatch, No. 18,‡ of the 18th ultimo, in which, with reference to the treaty of the 5th June 1854 with the United States, you observe that Her Majesty's Government had been induced to make that treaty by other than commercial considerations.

‡ Page 53.

I would, however, remark that the inquiries originated in Canada indicated that the commercial advantages derived from the treaty were so highly appreciated that an extension of them was desired, whereby the privileges of the home trade enjoyed in their relations with the United States, might be acquired in their relations with other countries, and the free interchanges between them not limited to certain enumerated articles.

As these colonies are prepared to appreciate the advantages of such a progressive application of the principles of free trade, it may be proper to remark that they have claimed no other privileges than have been conceded to their fellow-subjects in other quarters.

I take this opportunity of explaining, that, from recent and authentic information, I have ascertained that while the cost of producing muscovado sugar in Barbados has been reduced on some well-managed estates to 12 *s.* per cwt., the cost of its production in Cuba, in the last year, was 8*s.* per cwt., affording a premium to the Cuban planter, which, with the profits to be derived from the present high prices in the English market, must tend to give great encouragement to the slave trade.

	per cwt.
Agricl. Expenses	12 *s.*
Comml. Charges	6 *s.*
Duty - - -	15 *s.*
TOTAL - -	33 *s.*

Assuming 35 *s.* per cwt. to be the minimum price at which the Barbados proprietor would derive a fair return upon his investment, the present prices of sugar in the United Kingdom may be considered amply remunerative; it is however to be remarked, that on the comparatively small properties of these islands the expensive machinery used on the large estates of Cuba cannot so profitably be employed. A resource might perhaps be found in the establishment of central works, for which however there has hitherto been no sufficient encouragement to capitalists; and until the slave trade in the Spanish colonies has been effectually abolished, it is not likely that any expensive improvements for abridging labour will be generally introduced. To this object, therefore, and to the opening of other markets, which would constitute a resource when prices

prices in the United Kingdom might cease to be remunerative, the colonists have been led to look as the means of enabling them to maintain the cultivation of their estates, the suspension of which for a single season might involve them and all depending on them in ruin; and although the exclusion of the sugars of the Spanish colonies would interfere with the principle of free trade, the fulfilment of the treaties for the abolition of the slave trade is not less a part of the general policy of the empire.

I have, &c.
(signed) *W. M. G. Colebrooke.*

— No. 17. —

(No. 99.)

No. 17.
Governor Sir W. Colebrooke to the Right Hon. Sir G. Grey.
27 November 1855.

COPY of a DESPATCH from Governor Sir *W. M. G. Colebrooke* to the Right Honourable Sir *George Grey*, Bart.

Windward Islands, Barbados, 27 Nov. 1855.
(Received, 18 December 1855.)
(Answered, 22 February 1856, No. 4, p. 53.)

Sir,

I HAVE had the honour to receive your despatch "general," No. 2,* of the 19th ultimo, and, in reference to the financial measures recently adopted by the Assembly of Barbados, and reported in my despatches, No. 93, of the 24th ultimo, and No. 98, of the 26th instant, I entertain a hope that the state of the revenue will in a short time admit of the reduction and ultimate abolition of the corn duties, in accordance with the principle recommended previously to the embarrassment occasioned by the visitation of cholera in the last year. Meanwhile, it is incumbent on me to urge upon your attention the great probability that the present high prices of sugar in the markets of the United Kingdom will give a renewed stimulus to the slave trade in the Spanish colonies; and that in the ensuing year the competition to which our colonies have been exposed will be greater than ever, through the reckless conduct of the Spanish planters.

* Page 53.

Formerly, the importation of negroes having African marks rendered it practicable, on inquiry, to distinguish them from the Creole negroes, and thus to provide for their liberation; but the practice for more than 20 years of importing only the young, upon whom these indelible marks had not been made, has afforded the means of evading this evidence of their condition; and I must repeat that the only measure by which the suppression of the illicit traffic in slaves can be effectually accomplished would be by the exclusion from the British markets of the sugars of the Spanish colonies, until satisfactory evidence might be afforded that the treaty for the abolition of the slave trade had been fully carried out.

I have, &c.
(signed) *W. M. G. Colebrooke.*

— No. 18. —

(No. 68.)

No. 18.
Governor Sir W. Colebrooke to the Right Hon. H. Labouchere.
31 December 1855.

COPY of a DESPATCH from Governor Sir *W. M. G. Colebrooke* to the Right Honourable *H. Labouchere*, M.P.

Windward Islands, Barbados, 31 December 1855.
(Received, 30 January 1856.)
(Answered 28 February 1856, No. 5, p. 57.)

Sir

REFERRING to Sir W. Molesworth's Despatch Circular of the 11th August last, I have the honour to transmit the copy of a despatch from the Lieutenant-governor of St. Vincent, enclosing an address from the Legislative Council, together with a copy of my answer to the Lieutenant-governor.

No. 149, 14 December 1855.
4 October 1855.
No. 467, 31 December 1855.

I have, &c.
(signed) *W. M. G. Colebrooke.*

WINDWARD ISLANDS.

Encl. 1, in No. 18.

Enclosure 1, in No. 18.

(No. 149.)

Government House, St. Vincent,
14 December 1855.

Sir,

With reference to your Excellency's circular despatch of the 8th September 1855, covering copy of one from the Secretary of State for the Colonies, in reference to a proposal for the mutual abolition of customs duties upon the productions of Canada and the West Indies, I have the honour to transmit a copy of a reply from the Honourable Board of Legislative Council of this colony to a message from myself, laying those communications before the legislature.

I have, &c.
(signed) *E. Eyre.*

His Excellency the Governor in Chief,
Barbadoes.

Sub-Enclosure to Enclosure 1, in No. 18.

Council Chamber, St. Vincent,
4 October 1855.

May it please your Excellency,

28 February 1855.
5 September 1855.
2 October 1855.

The Board of Council has the honour to acknowledge your Excellency's joint messages, respectively numbered 5, 21, and 27, and thank your Excellency for them.

The Board feels that the subsequent despatch from the Right honourable Sir William Molesworth, dated the 11th August, withdraws the matter from its consideration; but whilst the Board yields a dutiful and loyal deference to the views of Her Majesty's Government on that subject, it cannot but express its sincere regret that the recently adopted policy of England sacrifices colonial interests to domestic necessities. Free trade to the colony, without a power to modify its application and to protect internal interests from the exhausting influence of powerful antagonists in the foreign slave-holding colonie must be in its ultimate effects ruinous, and the prostrate condition in which the colony now is can unhappily be traced to that cause alone.

The Board thinks this a fitting opportunity of representing to Her Majesty's Government the severe depression under which the trade and agriculture of the colony now labours, in the hope that it will sympathise with the colonists, and reconsider the domestic policy of the Government, so far as it sanctions the admission of slave-grown sugar on equal terms with that produced in the British colonies.

I have, &c.
(signed) *H. E. Sharpe,*
President.

His Excellency Edward John Eyre, Esq.
Lieutenant-Governor.

Enclosure 2, in No. 18.

(No. 467.)

Windward Islands, Barbadoes.
31 December 1855.

Sir,

Encl. 2, in No. 18.

I have received your despatch, No. 149, of the 14th instant, enclosing copy of an address from the Legislative Council of St. Vincent, dated 14th October last, and adverting to their observation as to the supposed injurious effect of the admission on equal terms to the British markets of foreign slave-grown sugars, I am led to remark that in Barbados the opinion is fully entertained, and has been expressed in a petition signed by members of the Council and Assembly and others, that the British colonies would be able to compete successfully with the foreign slave colonies if the treaties for abolishing the slave trade were to be duly enforced; and on this ground, as well as from considerations of humanity, they have urged the entire exclusion of the sugars of the Spanish colonies from the British markets, while those treaties continue to be violated.

I have, &c.
(signed) *W. M. G. Colebrooke.*

His Excellency the Lieutenant-Governor,
St. Vincent.

—No. 19.—

No. 19.
Governor Sir W. Colebrooke to the Right Hon. H. Labouchere, 21 January 1856.

Extract of a DESPATCH from Governor Sir *W. M. G. Colebrooke*, to the Right Hon. *H. Labouchere*, M.P.; dated Windward Islands, Barbados, 21 January 1856. (No. 4.)

I have in former reports stated the objections I have entertained to the system of revenue which has obtained of late years in these islands by the increase of the duties upon commerce, in substitution for the direct taxes formerly

merly imposed. The change was gradually introduced after the abolition of slavery, and has been prejudicial to the trade of the islands; but as the Assembly of Barbados has shown a disposition progressively to repeal the duties on corn and provisions, and to raise an equivalent revenue from internal taxation, and as the island from its windward position is already the centre of an extensive intercolonial trade, the completion of these measures, if carried out, will have the effect of rendering it the emporium of a flourishing commerce, by which the prosperity of all classes of the people will be promoted.

In the pursuit of this policy, a question has incidentally arisen, originating in an inquiry which emanated in the last year from Canada, as to the disposition of these colonies freely to interchange their produce with the North American Provinces, and as the measure was favourably regarded, resolutions were passed by the Legislatures of Barbados and St. Vincent for its adoption.

Although at a former period their supplies were obtained from these Provinces, the corn, provision, and lumber trade of these islands has of late years been exclusively carried on with the United States, and in consequence of the high duties on sugars there imposed, and the cheapness of sugar at Cuba, the supplies drawn from those states have for the most part been paid for in specie, and the capital thus withdrawn has been employed in the encouragement of the slave trade of the Spanish colonies.

The inquiry therefore from Canada was regarded not only as holding out a prospect of augmenting the capital employed in the production of British sugars, and of liberating the trade of these colonies with the Americans, but of withdrawing the direct stimulus given to the slave trade at Cuba and Porto Rico, carried on by the Spaniards in violation of their treaty with Great Britain. It is necessary to remark that in seconding the views of the Canadians, for the interchange of their raw produce, no exclusive views were entertained. The high duties on West India produce in the British markets occasioned by the war, did not necessarily affect the relations of their commerce with other countries not so situated, and in seeking to take advantage of favourable openings for free trade in other quarters, these colonies considered they would be better enabled to bear the pressure of the war duties in the United Kingdom, since their production of sugar to meet any demand is limited only by the labour and capital employed, which is regulated by the aggregate profits to be obtained, the difference being only that while the English consumer is called on to pay a high duty on sugar during the war, by which the demand is restricted, the producer avails himself of other markets for the disposal of the surplus raised by his industry and capital, and which he is enabled to exchange for the cheap supplies of raw produce, which he can derive either from the North American Provinces or in the United States, or from both, and while these colonies from their geographical position, are thus dependent on the American continent for such supplies, they continue annually to import from the United Kingdom various manufactures, to the value of half of their exports.

I am aware that Her Majesty's Government have objected to these views of the colonies, as at variance with the abstract principles of the commercial policy of the empire, but as the subject was noticed in Parliament in the last Session, I have deemed it my duty in this report briefly to recapitulate the arguments, as well from a desire that the slave trade should be abolished, as that the views of the colonists should be understood and appreciated.

I would especially advert to the question as it regards the Spanish colonies, and the slave trade carried on by them, which it was sought to abolish by treaty with the government of Spain. As from the fruitless efforts and sacrifices in successive years, it had been found impracticable to prevent the evasion of the treaty, by the blockade of the African and Cuban coasts, a petition was transmitted from Barbados in the last year, praying that the sugars of the Spanish colonies might be excluded from the British markets until the slave trade had been abolished. It was contended that although the competition of free against slave labour could be fully maintained when it became the interest of the employers to protect the slaves, the barbarities with which labour was extorted from the victims of the slave trade, rendered this wholly impracticable.

WINDWARD ISLANDS.

—No. 20.—

EXTRACT of a DESPATCH from Governor *Hincks* to the Right Honourable *H. Labouchere*, M.P.; dated Windward Islands, Barbadoes, 7 May 1856. (No. 25.)

No. 20
Governor Hincks to the Right Hon. H. Labouchere, 7 May 1856.

IT may, however, be proper for me to state, that I have observed no indication in any of the colonies embraced within the limits of this Government, of a strong feeling in favour of reciprocal free trade with Canada.

A most erroneous notion was entertained, that the inquiry made by a Select Committee of the Assembly of Canada had for its object a commercial system essentially similar to the one embodied in the late treaty between Great Britain and the United States, negociated by the Earl of Elgin and Kincardine.

The object of that treaty was to provide for the free admission into the United States and the British Provinces respectively, of certain articles, the natural products of both countries, and which were not deemed by either country fit objects for taxation.

The proposition regarding Canada and the West Indies on the other hand, was, that each country should admit the principal staples of the other, and not produced by itself, free of duty, while the same articles when imported from other countries, were to remain subject to heavy imposts.

The practical effect of such a measure had it been carried out, would have been the introduction of a protective system, and its result would most assuredly have been disappointment and loss to all parties concerned.

The reciprocal measure between the United States and British America is essentially one of free trade. I am not aware of a single article imported into Canada from the United States free, which is liable to duty, when imported from any other country. I may be in error on this point; but at all events, assuming that such articles are liable to duty when imported from other foreign countries, such duty has no practical effect, as there never could be competition, the United States being the only foreign country from which British America derives supplies of the raw products embraced in the treaty.

It is clear therefore, that the one was essentially a protective, as the other was a free-trade measure.

I have thought it right to offer these remarks, as some importance seems to have been attached by my predecessor, to the inquiry from the Select Committee, which I may observe has not been sanctioned in any way by the Canadian Government or Legislature.

Despatches from the Secretary of State.

—No. 21.—

(No. 4.)

No. 21.
Right Hon Sir W. Molesworth, Bart., to Governor Sir W. Colebrooke, 11 August 1855.
* Page 35.

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor Sir *W. Colebrooke*.

Sir, Downing-street, 11 August 1855.

I HAVE to acknowledge the receipt of your despatch of the 3d May, Barbados, No. 27,* reporting that you had brought under the consideration of the Council and Assembly of Barbados, a proposal for the free interchange between that island and Canada of the native products of the two countries, and forwarding copies of the addresses from the Council and Assembly in reply; copies of which you had also forwarded to the Governor-general of Canada.

† Page 3.

I have to refer you to my circular despatch † of this day's date for your information and guidance on this subject.

I have, &c.
(signed) *W. Molesworth.*

WINDWARD ISLANDS.

No. 22.
Right Hon. Sir W. Molesworth, Bart., to Governor Sir W. Colebrooke, 28 August 1855.

— No. 22. —

(No. 15.)

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor Sir *W. M. G. Colebrooke*.

Sir, Downing-street, 28 August 1855.

1. I HAVE received your despatch, Barbados,* No. 65, of the 26th July, in which you advocate the resolutions of the Barbados Legislature, in favour of a proposal for the mutual abolition of customs duties upon the productions of Canada and Barbados.

* Page 37.

2. You will have already received in Lord John Russell's circular despatch† of the 12th of July, the instructions by which Her Majesty's Government desire you should guide yourself, in dealing with any measures which may be adopted by the Council and Assembly on this subject. And Lord John Russell has explained at some length the views on which those instructions are founded; but it may nevertheless be desirable that I should reply to some of the observations in your present despatch.

† Page 1.

3. You have pointed out that a large part of the revenue of the Windward Islands which had formerly been collected internally, has been latterly raised, by increasing the customs duties on imports, and which were indiscriminately imposed on corn and other necessaries of life, as well as on articles of luxury; and that these supplies were received for the most part from the United States, and being paid for in money, it became an object at once to relieve the colonies from the duties on corn, and other subsistence of the people, and to be able to obtain them in exchange for their own produce, virtually excluded from the United States by high protecting duties.

4. With regard to the first of the two objects you have mentioned, the relief of the people from duties on corn, &c., if the revenue yielded by those duties can be spared, there can be no objection to the abolition of such duties on all such produce whencesoever received, which would obviously effect a greater and surer relief, than the relief to be derived from a specific abolition of those on the imports from the Canadian Provinces only.

5. With regard to the second object, that of obtaining a duty-free market in Canada for West Indian produce in exchange for a duty-free market in the West Indies for Canadian produce, whilst the similar produce of other countries is subject to duty in both markets, it amounts to nothing more than the same plea for protecting duties which was so long maintained in this country as against the principles of free trade, and which has been for some years past conclusively refuted by practice and experience, as well as by argument.

6. It is the interest of the consumers, that is, of the bulk of the population of Canada, that they should get the sugar they consume from the place whence it can be brought to them at the lowest price, and subject to only such duty as may be necessary for purposes of revenue. It is equally the interest of the consumers—that is, of the bulk of the population—of the West Indian colonies that they should get the corn and lumber they consume from the place whence it can be brought to them at the lowest price, and subject to duties for revenue only.

The present proposal is, in effect, that the producers of the West Indian colonies on the one hand, and of the Canadian provinces on the other, should combine to defeat the interests of the consumers in both.

7. In para. 3 of your despatch you state, that not being aware of the views which may have been embodied in the report stated to have been made by the Board of Trade, you are only able to infer that the objection of Her Majesty's Government may have originated in an apprehension that a free admission into Canada of sugar and molasses from the West Indies might divert a part of the produce of the West Indies from the home markets. On this I have to observe, that such a motive as you have conceived to operate with Her Majesty's Government would be at variance with the whole spirit of their commercial policy, and of the course of action which they have pursued towards the West Indian colonies and other colonies and countries in giving effect to the principles of free trade.

WINDWARD ISLANDS.

trade. If the Canadian legislature should find it expedient to abolish the duties upon all sugar imported into Canada they shall be perfectly free to do so, without any reference to the effects upon the sugar market of this country, whether insignificant (as I am disposed to think with you that they would be) or not insignificant. A copy of the Report of the Board of Trade, to which you have referred, was forwarded to you in my circular despatch* of the 11th instant.

* Page 3.

8. I have only further to state that Her Majesty's Government deeply regret that they have been under the necessity of raising the amount of duty upon sugars imported into this country, owing to the financial exigencies of the war; and although the pressure will fall rather upon the consumers than upon the producers of sugar, they admit that the producers may have some ground for anxiety, through the tendency of high prices to check consumption, and they most readily acknowledge that the West Indian colonists have submitted, in a loyal and patriotic spirit, to the necessities which the war has created. The increase of duty, however, will operate as much against the foreign competitors of the West Indians as against themselves, whilst the violation of the slave trade treaties by Spain, to which you advert as the ground of the chief complaint made by the West Indian planters, it may be hoped has been nearly brought to an end.

I have, &c.
(signed) *W. Molesworth.*

— No. 23. —

(No. 16.)

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor Sir *W. Colebrooke*.

No. 23.
Right Hon. Sir W. Molesworth, Bart., to Governor Sir W. Colebrooke. 3 September 1855.

Sir, Downing-street, 3 September 1855.

I HAVE to acknowledge the receipt of your despatch of the 18th ultimo, Barbados, No. 62,† forwarding a copy of the speech with which you opened the annual Session of the Legislature of that island.

† Page 37.

As regards the passage in your speech which refers to the proposal for the reciprocal exemption from duties of the produce of Canada and of the West Indian colonies, I must observe that it is desirable that great caution should be used by you in expressing opinions to the Legislature on questions affecting the general policy of the empire, and not merely the local interests of the colonies, over the affairs of which you have been appointed to preside.

I have, &c.
(signed) *W. Molesworth.*

— No. 24. —

EXTRACT of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor Sir *W. M. G. Colebrooke*; dated Downing-street, 4 September 1855. (No. 4.)

No. 24.
Right Hon. Sir W. Molesworth, Bart., to Governor Sir W. Colebrooke, 4 September 1855.

As regards the proposal to establish a free interchange of the productions of Canada and of the West India colonies, you will call Lieutenant-governor Keate's attention to Lord John Russell's circular despatch of the 12th July, and to my own‡ of the 11th ultimo, pointing out that any such measure would be opposed to the principles of the commercial policy of this country.

‡ Pages 1 and 3.

WINDWARD ISLANDS.

—No. 25.—

(No. 18.)

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor Sir *W. Colebrooke*.

Sir, Downing-street, 18 Sept. 1855.

No. 25. Right Hon. Sir W. Molesworth, Bart., to Governor Sir W. Colebrooke, 18 September 1855.

I HAVE to acknowledge the receipt of your two further despatches, Barbados, Nos. 67 and 70, of the 7th and 13th instant, in reference to the mutual abolition of customs duties upon the productions of Canada and the West Indian colonies.

I have to refer you to my circular despatch* of the 11th ultimo, and to my despatch,† Barbados, No. 15, of the 28th ultimo, on this subject.

The treaty of the 5th June 1854 with the United States, does no doubt involve, as you remark, a possible and perhaps an actual deviation from the principles of free trade, inasmuch as the articles from which a specific exemption from duty is stipulated between certain British colonies and the United States may be and probably are charged with duty, when brought from other places; but Her Majesty's Government were induced to make the treaty by other than commercial considerations, and by political motives of paramount importance, whilst it will still be in the power of the local Legislatures of the colonies concerned to bring the measures which they adopt into conformity with the principles of free trade, by extending the exemption from duty of the articles in question brought from the United States to the same articles whencesoever brought.

* Page 3.
† Page 51.

I have, &c.
(signed) *W. Molesworth.*

—No. 26.—

(No. 2.)

COPY of a DESPATCH from the Right Honourable Sir *G. Grey*, Bart., to Governor Sir *W. Colebrooke*.

Sir, Downing-street, 19 October 1855.

No. 26. Right Hon. Sir G. Grey, Bart., to Governor Sir W. Colebrooke, 19 October 1855.

I HAVE received your despatch, general,‡ No. 12, of the 11th September, in which you represent the circumstances which induce you still to recommend that Barbadoes and the other West Indian colonies may be allowed to enter into an arrangement with Canada for the free interchange of produce.

I have also to acknowledge your further despatch on this subject, No. 81, of 24th ultimo, in reply to Sir W. Molesworth's, No. 15, of 28th August.

‡ Page 40.

I have given to the views stated in your despatches the full consideration which is due to them as proceeding from a governor of the long experience and extensive knowledge of colonial affairs which you possess. I have, however, to state that they do not alter the opinions which were communicated to you in Sir W. Molesworth's despatch of the 28th August.

I have, &c.
(signed) *G. Grey.*

—No. 27.—

(No. 4.)

COPY of a DESPATCH from the Right Honourable *H. Labouchere*, M.P., to Governor *Hincks*.

No. 27. Right Hon. H. Labouchere to Governor Sir W. Colebrooke 22 February 1856.

Sir, Downing-street, 22 February 1856.

I HAVE received Sir William Colebrooke's despatch, No. 99,§ of the 27th of November last, respecting free trade between Canada and the West Indies; and I transmit for your information the copy of a letter upon the subject from the Foreign Office, (to which department Sir William Colebrooke's despatch was referred), enclosing the copy of one from the Board of Trade.

§ Page 47.

29 January 1856.

I have, &c.
(signed) *H. Labouchere.*

WINDWARD ISLANDS.

Enclosure in No. 27.

Encl. in No. 27.

Foreign Office, 29 January 1856.

Sir,

I AM directed by the Earl of Clarendon to acquaint you, for the information of Mr. Secretary Labouchere, that his Lordship has referred to the Lords of the Committee of Privy Council for Trade your letter of the 24th of December, which enclosed a copy of a despatch from Sir William Colebrooke, the Governor of Barbados, recommending that sugars being the produce of Spanish colonies should be excluded from British markets until the Anti-Slave Trade Treaty between Great Britain and Spain shall be faithfully carried into effect by the Spanish Government; and I am to transmit to you, for the information of Mr. Labouchere, the accompanying copy of a letter, stating the opinion of the Board of Trade, upon Sir William Colebrooke's recommendation, in which opinion Lord Clarendon entirely concurs.

25 January 1856.

I am, &c.

(signed) *Wodehouse.*

Herman Merivale, Esq.
&c. &c. &c.

Sub-Enclosure 1, to Enclosure in No. 27.

Office of Committee of Privy Council for Trade,
Whitehall, 25 January 1856.

Sir,

THE Lords of the Committee of Privy Council for Trade have had under their consideration your letter of the 31st of December last, transmitting by direction of the Earl of Clarendon, a despatch from the Governor of Barbados, received through the Colonial Office, pointing out the probable effects of the present high price of sugar in the markets of the United Kingdom, in stimulating the competition of the Spanish sugar-growing colonies with British West Indian Possessions.

In this despatch Sir W. Colebrooke recommends, in order to avoid the effects of such increased competition, that the sugar of the Spanish colonies should be excluded from the United Kingdom until the provisions of the treaty between this country and Spain for the suppression of the slave trade shall have been strictly enforced, and Lord Clarendon desires the opinion of this Board as to the probable effect of such an exclusion upon the consumer and the revenue in the United Kingdom.

Upon this subject I am to request that you will state to Lord Clarendon that my Lords are of opinion that the best mode of enabling his Lordship to estimate the probable effects of such a measure is, to exhibit the results of the policy which has been in operation since 1846, under which the duties upon the sugar of the Spanish colonies and upon that of the British plantations have been progressively assimilated. A statement is annexed to this letter, showing the amount of unrefined sugar imported into the United Kingdom in each year from 1842 to 1854 inclusive, from the British West Indies, East Indies, Mauritius, the Spanish colonies, and other foreign possessions respectively, together with the aggregate quantities retained for home consumption, and the average price of brown muscovado per cwt. during each of those years. By this statement Lord Clarendon will perceive that the quantity of unrefined sugar imported from the Spanish colonies, has advanced from 596,380 cwts. in 1846, to 1,997,370 cwts. in 1854, an increase of more than 200 per cent., and now constitutes nearly 18°/₀ of the total amount, consumed in the United Kingdom, and representing a gross revenue of 993,061 *l.*

Lord Clarendon will also perceive, that during the period under review, the average price of brown muscovado sugar has fallen from 34 *s.* 5 *d.* in 1846, to 22 *s.* 8 *d.* in 1854. This price remained nearly stationary throughout the first nine months of the year which is just concluded, and the extraordinary rise which took place in the month of October, from causes which will be hereafter referred to, has in a great measure already subsided, and only raises the average price thoughout the whole year 1855 to 26 *s.*

These facts appear to my Lords to supply a sufficient answer to the question put by Lord Clarendon, and to prove in the most conclusive manner, that any attempt to prohibit the importation of sugar from the Spanish colonies would be attended by the most injurious consequences, both to the consumer and the revenue of the United Kingdom.

Neither do my Lords conceive that this injury would be in any way compensated by any countervailing commercial advantage to any other British interest. To the British West Indies themselves, nothing could, in their opinion, be more calamitous than the recurrence to a policy of artificial protection for the purpose of effecting certain political objects; the progress of the sugar trade of those colonies during the gradual withdrawal of protection, to which they have been subjected, has more than justified the anticipations of Her Majesty's Government.

The importations of unrefined sugar of the West Indian British possessions have advanced, as will be seen by the enclosed statement, from 2,508,725 cwts. in 1842, to 3,443,082 cwts.

in

WINDWARD ISLANDS.

in 1854; the population of the United Kingdom during this period having remained nearly stationary.

Under these circumstances, to re-open the question which was so deliberately settled by Parliament in the years 1846 and 1848 would be, in the opinion of my Lords, in the highest degree pernicious to the permanent interests of those possessions.

I am, in conclusion, to state for Lord Clarendon's information, that the remarkable rise in the price of sugar during the last four months, to which I have already adverted, is, in the opinion of my Lords, a result of temporary and exceptional causes.

It is not in their power at the present moment to do more than to refer generally to the nature of those causes; but it is not difficult to discover the operation of several circumstances which have contributed to this result. My Lords are disposed to attribute the rapid and excessive rise in price which took place in the months of October and November, to the operation of speculations in this branch of trade, and the speedy return to a more moderate range of price confirms this view. There can, however, be little doubt that other causes of a more legitimate character have tended to bring about the recent augmentation in the price of sugar. It appears from the trade accounts for the eleven months ending 30th November 1855, that while there has been a decline in the importations of unrefined sugar from 8,272,084 in the first eleven months of 1854, to 6,209,683 in those of 1855, the consumption has only fallen from 7,506,109 to 7,178,213 in these periods respectively, or in other words, that with a greatly diminished supply there has been nearly the same demand.

My Lords would also refer to the recently increased demand for this article on the continent for the purpose of distillation, owing to the deficiency of brandy, arising from the failure of the wine crops.

I have, &c.

E. Hammond, Esq., Foreign Office. (signed) *J. Emerson Tennent.*

Sub-Enclosure 2, to Enclosure in No. 27.

STATEMENT of the Amount of Raw Sugars Imported into the *United Kingdom* from British Possessions and Foreign Countries during the following Years.

	1842.	1843.	1844.	1845.	1846.	1847.	1848.	1849.	1850.	1851.	1852.	1853.	1854.	
	s. d.			s. d.			s. d.	s. d.	s. d.	s. d.			Equalized s. d.	
Duty	25 2 per cent.			14 –			13 –	12 –	11 –	10 –			11 –	
							From 5 July in each year respectively.							
British West Indies	2,508,725	2,509,702	2,453,050	2,857,703	2,152,156	3,202,774	2,777,320	2,842,270	2,589,328	3,075,875	3,407,951	2,842,960	3,443,082	Increase - 934,357.
East Indies	946,086	1,116,869	1,108,671	1,340,659	1,470,663	1,420,865	1,339,494	1,482,794	1,370,427	1,585,430	1,303,885	1,226,378	784,966	Decrease - 161,299.*
Mauritius	689,332	476,620	540,944	716,233	845,197	1,193,939	886,323	897,840	1,003,310	1,000,269	1,122,064	1,252,269	1,662,190	Increase - 972,858.
Duty	66s. per cwt. for slave grown sugar						10 July 1848 to 5 July 1849	From and after 5 July in each year						
					23s. 4d. if free labour grown.		s. d. 18 6	s. d. 17 –	s. d. 15 6	s. d. 14 –	s. d. 13 –	s. d. 12 –		
Spanish Colonies	– –	– –	– –	– –	596,380	1,124,911	862,520	906,199	669,466	1,110,966	484,925	1,090,327	1,977,370	Increase - 1,380,990.
	s. d. 35 8½	– –	free labour grown											
Foreign Countries not being Spanish Colonies	247,874	567,032	324,007	352,462	601,292	1,284,080	993,069	818,950	681,057	1,185,338	583,640	887,073	1,242,972	Increase - 631,680.
Retained for Home Consumption	3,868,437	4,028,307	4,129,443	4,856,624	5,220,248	5,779,508	6,142,296	5,905,687	6,091,492	6,233,547	6,898,867	7,272,833	8,020,079	Increase - 2,799,831.
Average price per cwt. of brown muscovado sugar for quarter ended 31 December	– –	– –	– –	– –	– –	– –	– –	s. d. 35 –	s. d. 37 6	s. d. 29 6	s. d. 26 –	s. d. 26 3	s. d. 23 –	1855. s. d. 37 6
Average price for the Year	s. d. 36 11	s. d. 33 9	s. d. 33 8	s. d. 32 11	s. d. 34 5	s. d. 28 3	s. d. 23 8	25 4	26 1	25 6	22 5	24 6	22 8	First nine months 24 – First six months 23 – } average price for the year, 26s.

* This is exceptional, as will be seen on comparing the amount with that of the preceding years.

WINDWARD ISLANDS.

— No. 28. —

(No. 5.)

COPY of a DESPATCH from the Right Honourable *H. Labouchere*, M.P. to Governor *Hincks*.

No. 28.
Right Hon. H. Labouchere to Governor Hincks, 28 February 1856.
* Page 47.

Sir, Downing-street, 28 February 1856.

I HAVE received Sir W. Colebrooke's despatch, St. Vincent, No. 68,* of the 31st December last, forwarding a despatch from the Lieutenant-governor, with an address from the Legislative Council, respecting free trade between Canada and the West Indies, together with a copy of his reply.

I request that you will acquaint the Lieutenant-governor that there is no prospect of a reversal of the policy of free trade, which has been deliberately adopted and sanctioned by the Legislature of the United Kingdom.

The measures adopted by Her Majesty's Government have shown that they are disposed to afford every encouragement and assistance to the West India colonies in the efforts which are necessary to pass successfully through a period of temporary difficulty, and fully to develop the resources of the several islands.

I have, &c.
(signed) *H. Labouchere.*

Correspondence with the Governor of British Guiana.

BRITISH GUIANA.

— No. 29. —

(No. 48.)

COPY of a DESPATCH from Governor *Wodehouse* to the Right Honourable Lord *John Russell*.

No. 29.
Governor Wodehouse to the Right Hon. Lord J. Russell, 21 April 1855.

Government House, Georgetown, 21 April 1855.
(Received, 22 May 1855.)
(Answered, 11 August 1855, No. 10, p. 61.)

My Lord,

I THINK it right to bring under your Lordship's notice that a communication has been addressed to the Government Secretary of this colony by the chairman of a committee of the Legislative Assembly of Canada, in which he requests to be informed whether in the event of the productions of British Guiana being admitted into Canada duty free, we would admit their productions upon the same terms, immediately or within a given time.

I learn from the newspapers that the same proposal has been favourably received by a committee of the House of Assembly at Barbados, and that they are likely to adopt the plan at once; but in our case so many questions of importance present themselves for consideration, as inseparable from the decision to be arrived at upon this subject, as to preclude me altogether from recommending the Combined Court, to give a final answer during their present session.

In the event of your Lordship considering it necessary to furnish me with instructions for my guidance in dealing with this matter, I shall be glad to receive them with as little delay as possible.

I have, &c.
(signed) *P. E. Wodehouse.*

BRITISH GUIANA.

— No. 30. —

No. 30.
Governor Wodehouse to Right Hon. Lord J. Russell. 11 August 1855.

(No. 116.)
COPY of a DESPATCH from Governor *Wodehouse* to the Right Honourable Lord *John Russell*.

Government House, Georgetown, 11 August 1855.
(Received, 19 September 1855.)
(Answered, 27 September 1855, No. 34, p. 62.)

My Lord,

I BEG leave to acknowledge your Lordship's circular despatch* of the 12th July last, which appears to have had its origin in the proposal made by the Canadian Legislature to the different West Indian Colonies, which was brought under your Lordship's notice by my despatch, No. 48, of the 21st April last; and I shall not fail to use my best endeavours for giving effect to your Lordship's instructions.

* Page 1.

If the Legislature of this colony were to determine upon extending to Canada or to any other colony or country the privilege of introducing their produce duty free, they would give effect to that determination by inserting an exemption in their favour from the general import duties imposed by the annual Tax Ordinance, under the authority of which the whole revenue of the colony is raised. I hope, therefore, I may ask whether, in the event of any such exemption being introduced, I am to consider myself commanded by your Lordship to withhold my assent to the Ordinance, when the inevitable consequence will be a total stoppage of the supplies for the public service.

I have, &c.
(signed) *P. E. Wodehouse.*

— No. 31. —

No. 31.
Governor Wodehouse to Sir W. Molesworth, Bart., 17 Sept. 1855.

(No. 130.)
COPY of a DESPATCH from Governor *Wodehouse* to the Right Honourable Sir *William Molesworth*, Bart.

Government House, Georgetown, 17 September 1855.
(Received, 19 October 1855.)
(Answered, 27 October 1855, No. 41, p. 62.)

Sir,

I DO myself the honour of acknowledging your despatch† No. 10, of the 11th ultimo, and your circular despatch ‡ of the same date, relative to the proposal for the mutual abolition of customs duties upon the productions of Canada and the West Indies; and I hope you will allow me to correct what appears to be rather a misapprehension on the part of the Lords of the Committee of Privy Council for Trade. Their Lordships speak of "The inducement which has led these two colonies to entertain the project in question;" as if British Guiana had been taking an active part in the negociation; while in reality this Legislature has merely received this letter from Canada, has passed no resolution respecting it, and has returned no reply. My first step was to submit it to Her Majesty's Government.

† Page 61.
‡ Page 3.

I have, &c.
(signed) *P. E. Wodehouse.*

— No. 32. —

No. 32.
Governor Wodehouse to Sir W. Molesworth, Bart., 20 October 1855.

(No. 150.)
COPY of a DESPATCH from Governor *Wodehouse* to the Right Honourable Sir *William Molesworth*, Bart.

Government House, Georgetown, 20 October 1855.
(Received, 14 November 1855.)

Sir,

IN my despatch, No. 130, of the 17th ultimo, I pointed out that the Board of Trade had erroneously attributed to this Government an active participation in the scheme for the abolition of duties between Canada and the West Indies; and I therefore think it prudent not to leave altogether unnoticed the editorial articles

13 October 1855, infra.
16 October 1855, p. 60.

articles in the two Royal Gazettes herewith enclosed, in which the opinions of Her Majesty's Government are strongly censured.

There is a general impression that this newspaper represents the views of the Colonial Government, because the conductors are the contractors for the Official Gazette and other public printing; but I beg to state that since my arrival in the colony, I have neither written directly nor indirectly, nor suggested the publication in any newspaper of any article not strictly official.

I have, &c.
(signed) *P. E. Wodehouse.*

Enclosure 1, in No. 32.

FROM "The Royal Gazette, Saturday, 13 October 1855."

Encl. 1, in No. 32.

WE published in the last number of the Gazette, a portion of the correspondence between Sir W. M. G. Colebrooke, the Governor of Barbados, and the Home Government, on the subject of the proposed reciprocal treaty for free trade between the British West Indies and Canada; and we believe that every one of our readers will participate with us in a feeling of astonishment, that men calling themselves British Statesmen could have written so much arrant nonsense. The mantle of Lord John Russell has descended upon the shoulders of his successor; and the colonies are still to be kicked about like foot-balls, at the caprice of certain officials in Downing-street. The proposition for a reciprocal treaty, it appears, did not emanate from the Canadian Legislature as a body, but from a Committee of the Legislative Assembly; and in this distinction Sir W. Molesworth sees, or affects to see, a great difference, and therefore says, "it would be premature to suppose that the Executive Government or the Legislature of Canada are committed to the adoption of the policy therein indicated." Well, the Canadian Parliament at their next sitting can remedy that matter, and by discussing the question and passing resolutions in favour of a reciprocal treaty with other colonies for an interchange of commodities, they will fix the home Government on the horns of a dilemma from which they will not be able to escape, but will have to surrender at discretion. Let Canada, if she be in earnest about the matter, and we firmly believe she is, only adopt that course, and the thing will be *un fait accompli.* The home Government will turn an attentive ear to suggestions and remonstrances emanating from Canada, while they will refuse to listen to British Guiana, Barbados, Jamaica, or any other smaller colony. We need not state "the reason why"—it is perfectly obvious to every one. Canada cannot be awed into submission; the dictatorial tone will not suit her people, and hence there is what the Board of Trade calls "a political motive," for dealing "gingerly" with them. Not so with the West India colonies—they may remonstrate, they may grumble, but they are powerless to help themselves, and must submit to anything that the Imperial Government chooses to impose upon them.

But Sir William Molesworth gives us his reasons, or perhaps, it would be more correct to say, the reasons of the Government—for he is not altogether a free agent in the matter, and is too young a minister to have a will of his own—for refusing to sanction the proposed treaty. Her Majesty's Government, says Sir William, "would regard the proposed arrangement as very objectionable, on the grounds, first, that it would separate commercially, so far as such an arrangement is concerned, the colonies who entered into it, from the rest of the empire; secondly, that it would be injurious, not only to the interest of consumers in the colonies who were a party to the arrangement, but to the interests of producers in every other part of the empire; and, thirdly, it would be inconsistent with the imperial policy of free trade." Here we have "first," "secondly," and "thirdly,"—a most methodical reply. There is only one omission—Sir William forgot to state his reasons for coming to these conclusions; and as he has not done so, we will venture to supply the omission. In the first place, the proposed arrangement would "separate commercially, so far as such an arrangement is concerned, the colonies who entered into it from the rest of the empire," because it would promote the mutual interests of those colonies,—would open up new markets for their produce—would tend to promote their prosperity and to rescue them from ruin. Secondly, "it would be injurious not only to the interests of consumers in the colonies, who were a party to the arrangement, but to the interests of producers in every other part of the empire,"—because the consumers in the colonies would obtain the principal necessaries of life at a reduced price, and that would be an advantage to them. But how and in what manner the proposed treaty of reciprocity with Canada is to operate injuriously to "the interests of producers in every other part of the empire," is a Downing-street mystery, which we confess we are unable to solve. We must leave Sir William Molesworth to explain that—we cannot. But, thirdly, "the proposed arrangement" is "inconsistent with the imperial policy of free trade," because it is great presumption on the part of the colonies to wish for the enjoyment of imperial rights, or internal freedom of action. The trade of the United Kingdom must be free, but the trade of the colonies must be restricted. The people of England have a right to obtain sugars from the cheapest markets and to sell in the dearest; but the colonists must not think of imitating her "imperial" example. They must

BRITISH GUIANA.

must servilely do her bidding, and be content with their lot, whatever it may be. We have endeavoured to supply a few of the reasons which Sir William omitted to give; but we do not subscribe to his doctrine, as laid down in his official "circular;" nor do we believe that Sir William Molesworth himself entertains the opinions to which he has given currency in that circular. We are precluded by a pressure of official and other advertisements from pursuing this argument further now; but we shall recur to it again on the first convenient opportunity. In the meantime, we would impress upon our readers the necessity of keeping this subject constantly in view, in order to obtain from the Imperial Government, that concession of rights to which the colonies are undoubtedly entitled.

Enclosure 2, in No. 32.

FROM "The Royal Gazette, Tuesday, 16 October 1855."

Encl. 2, in No. 32.

THE letter of the Board of Trade in reply to Lord John Russell, on the subject of the proposal contained in Governor Wodehouse's despatch for free trade with Canada, states that the proposal is open to "grave objections." The Board of Trade sets up as a principle for its guidance, that it will discountenance protective tariffs in the colonies. "Since the adoption of free trade," writes the secretary, "as the general principle of the commercial policy of the United Kingdom, it has been the object of Her Majesty's Government, in advising or controlling the legislation of the British colonies in matters affecting trade to discourage the maintenance or adoption of protective duties in colonial tariffs." This is all very fine as a theoretical maxim, but how does it operate in practice? Does it in any way benefit the colonies? Does it carry out the principle of free trade in its full, proper, and commercial sense. Not in the least. All that it does is to give to the mother country a gigantic monopoly at the expense of the colonies. The colonies must not be allowed to make any arrangements for themselves—they must be bound hand and foot—compelled by these oppressive restrictions to send their produce to the English markets, where they have to meet on equal terms the slave-grown produce of other countries. All this is very well, so far as the interests of the consumers in England are concerned; but it is ruinous to the producers in the West India colonies. They cannot compete against other countries more favourably circumstanced with respect to labour; and unless some change for the better take place, they must, sooner or later, bow before the force of circumstances which they cannot control. The fact is, that the system under which the colonies are governed is a vicious one; and the general principle which the Board of Trade have laid down for their guidance is only another proof of that fact. We are perfectly aware that, with the free trade party in England, especially with the Manchester school, colonies are not popular. "We want no colonies; they are a burden to us; and the sooner we get rid of them the better;" is, in effect, the language of the great apostle of free trade, Mr. Cobden, himself. And the Imperial Government, although they do not go so far in words, yet are influenced to some extent by these opinions. Were it not so they would act more wisely with respect to the colonies; they would regard them as integral portions of the empire, instead of incumbrances, that require neither encouragement nor protection. The day is not far distant when English statesmen will view colonial matters in a very different light; and when the distant dependencies of the empire shall be represented and make their voice heard and their influence felt within the walls of the Imperial Parliament.

The whole gist of the objection to the proposal on the part of the Board of Trade lies in the following paragraph: "The effect of the arrangement which is now proposed between Canada and British Guiana would be to protect, by discriminating duties, the produce of these colonies respectively, against similar produce of foreign countries, of all other British possessions, and even of the United Kingdom itself." The solicitude of the Board of Trade for the interest of "foreign countries," is a singular illustration of the peculiar wisdom by which colonial affairs are managed at home. Why should the British Government be so anxious to protect the interests of Cuba, or St. Domingo, or Brazil against the interests of her own colonies? Will they give up their slaves and place themselves on an equal footing with the British planters? Will they adopt the principles of free trade, because England has thought proper to do so? Not one of them; they know their own interests better, and will take care of themselves. We can see no reason why any consideration of this kind should stand in the way of a reciprocal treaty being carried out between two colonies for the interchange of their respective commodities. So far, then, as "foreign countries" are concerned, their interests ought to be no barrier to the proposed arrangement between Canada and the British West India colonies. But when the Board of Trade seriously put forward as an objection to that proposal, that "the effect of the arrangement which is now proposed between Canada and British Guiana, would be to protect by discriminating duties the produce of these two colonies respectively, against similar produce of all other British Possessions," they are stating that which is not the fact, and suppressing facts which would have destroyed the whole force of the argument. They treat the question as one relating solely to Canada and British Guiana; whereas it was a proposal emanating from Canada to the whole of the British West India possessions, and not to British Guiana alone. So that all the British possessions in the West Indies would be in the same position, and the discriminating duties could not therefore have affected any one of them to the detriment of the

BRITISH GUIANA.

the other. The other colonies of Great Britain, which produce the same articles of export, could not have been injuriously affected by the arrangement, because their trade with Canada is nil; and if the supplies sent from any part or parts of the British West Indies to the English markets were diminished to any extent by the Canada trade, we have yet to learn that that would be any disadvantage to the other producing colonies. This objection, like the former, falls to the ground. The only objection which remains to be disposed of, is the third, namely, that the effect of the arrangement would be to protect by discriminating duties, the produce of those two colonies respectively, "against similar produce of even the United Kingdom itself!" Well, this is really the climax of absurdity. We were not aware that the United Kingdom had any "similar produce" to that which constitutes the export trade of British Guiana. Where, in the "United Kingdom," does the sugar-cane grow? and where are sugar, molasses, and rum manufactured? These, with lumber, constitute the principal exports of this colony; and with respect to Canada our imports from thence would consist chiefly of flour, corn-meal, potatoes, salt fish, and lumber. These are not articles which are exported from the United Kingdom. The objections, therefore, which have been put forward by the Board of Trade are entirely without foundation. Besides which, the thing has already been done in the case of Canada and the United States; between which countries a reciprocity treaty has been carried into effect with the sanction of the Imperial Parliament and of Her Majesty's Government. This was a very awkward fact to deal with, especially as the proposed arrangement was but an extension of the same principle which had already been sanctioned by Her Majesty's Government, and the Board of Trade feeling this, endeavours to get rid of it by the following ingenious explanation: "In sanctioning this convention it cannot be denied that Her Majesty's Government deviated from the rule which forms the fundamental principle of their recent commercial policy, but the political motive which determined them to adopt this course upon the occasion in question was of a kind to counterbalance and outweigh considerations of purely commercial expediency." This is certainly a very ingenious confession. The Board of Trade admits that it was a deviation from the rule which forms the fundamental principle of their "commercial policy;" but then they had a "political motive which determined them to adopt this course on that occasion." And is there not, we ask, a motive as powerful why the said rule should be deviated from in the case of the British West India possessions? The colonies are going headlong to destruction under the unnatural treatment and suicidal policy of the mother country towards them; and if anything can rescue them from utter and irretrievable ruin, it is that they should have increased freedom of action, and that their commercial policy should be free and unfettered by imperial restrictions. The Canada trade would be a great benefit to the colony, and to all classes in it. We therefore earnestly advise our readers to bestir themselves, and to agitate the question until they wrest from the Imperial Government a concession of their rights.

Despatches from the Secretary of State.

— No. 33.—

(No. 10.)

No. 33. Right Hon. Sir W. Molesworth, Bart., to Governor Wodehouse, 11 August 1855.

COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor *Wodehouse*.

Sir, Downing-street, 11 August 1255.

I HAVE to acknowledge the receipt of your despatch * of the 21st April last, No. 48, reporting that a communication had been addressed to the Government Secretary of British Guiana by the chairman of a committee of the Legislative Assembly of Canada, in which he requests to be informed whether in the event of the productions of British Guiana being admitted into Canada duty free, British Guiana would admit the productions of Canada upon the same terms.

* Page 57.

I have to refer you to my circular despatch † of this day's date, for your information and guidance on this subject.

† Page 3.

I have, &c.

(signed) *W. Molesworth.*

BRITISH GUIANA.

— No. 34. —

No. 34.
Right Hon. Sir W. Molesworth, Bart., to Governor Wodehouse, 27 Sept. 1855.
* Page 58.

(No. 34.)
COPY of a DESPATCH from the Right Honourable Sir *W. Molesworth*, Bart., to Governor *Wodehouse*.

Sir, Downing-street, 27 September 1855.

I HAVE received your despatch * of the 11th ultimo, No. 116, and I have to acquaint you in reply, that if a Tax Ordinance should be passed by the Legislature of British Guiana, granting a specific exemption from import duty to articles the produce of Canada, you should withhold your assent to such Ordinance; but that you are at liberty to assent to the exemption from import duty of such articles, provided it extends to those which are the produce of all other countries as well as Canada, and provided the duties on such articles do not contribute to sources of revenue charged with the payment of the Civil List, or of the principal and interest of loans, or otherwise pledged to meet claims on the colonial revenues which might be left unsatisfied were they withdrawn or diminished.

I have, &c.
(signed) *W. Molesworth.*

— No. 35. —

No. 35.
Right Hon. Lord Panmure to Governor Wodehouse, 27 October 1833.
† Page 58.

(No. 41.)
COPY of a DESPATCH from the Right Honourable Lord *Panmure* to Governor *Wodehouse*.

Sir, Downing-street, 27 October 1855.

I HAVE received your despatch, No. 130, † of 17 September, in reference to the proposal for the mutual abolition of customs duties upon the productions of Canada and the West Indies, and pointing out that the Legislature of British Guiana, so far from taking an active part in the negociation, had merely received the letter from Canada, had passed no resolution respecting it, and had returned no reply.

I approve of the course which was thus pursued in this matter.

I have, &c.
(signed) *Panmure.*

LEEWARD ISLANDS.

Correspondence with the Governor in Chief of the Leeward Islands.

— No. 36. —

No. 36.
Governor Mackintosh to the Right Hon. Lord John Russell, 9 June 1855.

(No. 47.)
COPY of a DESPATCH from Governor *Mackintosh* to the Right Honourable Lord *John Russell*.

Leeward Islands, Antigua, 9 June 1855.
(Received, 29 June 1855.)

My Lord, (Answered, 14 July 1855, No. 22, p. 65.)

I HAVE the honour to transmit herein enclosed to your Lordship, copies of addresses which have been interchanged between Lieutenant-governor Robinson, and the Council and Assembly of St. Kitts, on the occasion of a recent opening of a new Session of the Legislature of that island.

I have, &c.
(signed) *R. J. Mackintosh.*

LEEWARD ISLANDS.

Enclosure in No. 36.

Extracts of Addresses interchanged between the Lieutenant-Governor and the Council and Assembly, on the 24 May 1855. Encl. in No. 36.

(Lieutenant-Governor to the Council and Assembly.)

* * * * * * * *

"A proposal relative to a free commercial intercourse between this island and Canada, will be submitted to your notice, and will, I am sure, receive that attentive consideration which the great and all absorbing interests involved, so eminently entitle it to command."

(The Council to the Lieutenant-Governor in reply.)

* * * * * * * *

"Our best attention shall be given to the several measures to be laid before us, especially the important proposal for free intercourse between this island and Canada."

(The Assembly to the Lieutenant-Governor in reply.)

* * * * * * * *

"The proposal relative to a free commercial intercourse between this island and Canada is well worthy of our early attention; and we trust should we on due consideration deem the proposed measure conducive to the interests of this colony, we may be at liberty to respond to the proposal, although it may be found to involve an infraction of the principle hitherto enunciated, and which restrained us in colonial legislation from the imposition of discriminating duties."

— No. 37. —

(No. 1.)

No. 37. Governor Hamilton to the Right Hon. Sir W. Molesworth, Bart., 11 October 1855.

Copy of a DESPATCH from Governor *Hamilton* to the Right Honourable Sir *W. Molesworth*, Bart.

Leeward Islands, Antigua, 11 October 1855.

(Received, 31 October 1855.)

Sir,

In compliance with the direction contained in Lord John Russell's despatch * to my predecessor, St. Kitts, No. 22, of the 14th of July, I have the honour to forward copy of despatch from Lieutenant-governor Robinson, explaining the circumstances which dictated that passage in his speech to the Council and Assembly of St. Kitts, which referred to a proposal of a free commercial intercourse between that colony and Canada.

* Page 65.

St. Kitts, No. 54, 20 Sept. 1855.

I have, &c.

(signed) *Ker B. Hamilton.*

Enclosure in No. 37.

(No. 54.)

St. Christopher, 20 September 1855.

Sir,

I have the honour to acknowledge the receipt of your Excellency's despatch, No. 22, of the 6th ultimo, calling upon me, for the information of Her Majesty's Secretary of State, for an explanation of the views and circumstances which dictated the passage of the speech which I delivered to the Legislative Houses of St. Kitts, on the 24th of May last, referring to a proposal for a free commercial intercourse between this island and Canada. Encl. in No. 37.

In reply, I have the honour to state for the information of Her Majesty's Secretary of State for the Colonies, that upon my assumption of the government of this island in the commencement of March last, I had submitted to me by the Colonial Secretary a circular letter, addressed to that officer by Mr. William Hamilton Merritt, the chairman of a committee of the Legislative Assembly of Canada, making inquiry on behalf of the committee "whether, in the event of the productions of St. Kitts being admitted into Canada free from duty," the Legislature here would be prepared to remove "the duty upon the productions of Canada by the way of the St. Lawrence, on like terms, immediately or within a given time."

It appeared to me that I could not constitutionally take official cognizance of a communication from the chairman of a committee of a legislative assembly in another colony, apparently unauthorized by the Local Executive Government, and addressed to a subordinate officer in this island, and I conceived that I should not be justified in transmitting by

LEEWARD ISLANDS.

message for the consideration of the legislative houses a proposal, emanating from such a source, and consequently declined to do so, suggesting at the same time that it was competent for any member to bring the matter under the consideration of the House of Assembly, and take the sense of the House with reference to such a proposition; such a course, however, was not adopted, and the Session closed upon the 13th April, without any notice having been taken of Mr. Merritt's communication.

Meanwhile between the close of the Session to which I have just alluded, and the meeting of a new House of Assembly upon the 24th of May, there appeared in the public journals accounts of the warm manner in which the proposal had been entertained in other islands. It appeared from these statements that in several islands in this Government, and almost every island in the Windward Government Mr. Merritt's communication had been submitted by the several executive officers for the consideration of the Legislative Houses; that committees had been appointed, who, I believe, in every instance, reported strongly in favour of the proposal; that resolutions had been adopted by the different Legislative Assemblies to the same effect; that even in some cases Bills had been introduced, and passed through several stages, for effecting the object proposed.

The publication of these proceedings naturally gave rise to considerable dissatisfaction here in consequence of no official notice having been taken of any such proposal; exaggerated notions were entertained as to the nature of the proposal; it was believed that some offer had been made by Canada to the West Indies, which had been accepted by other islands, and from the advantages of which, St. Kitts, by her silence, was likely to be excluded. and that a simple reply in the affirmative was all that was necessary to enable the reciprocal arrangement to be carried into immediate effect.

Under these circumstances I felt that I was scarcely justified in still maintaining my own opinion as to the irregularity of a proceeding which had been so generally adopted by others of longer experience in the colonial service; I determined, therefore, to transmit Mr. Merritt's communication for the consideration of the Legislative Houses, without, however, expressing any opinion of my own as to the merits of the question.

This course I adopted at the first meeting of the Legislative Houses at the commencement of the new Session, and took occasion to allude in my speech on that day to the proposal which I had transmitted to them by message, here also carefully abstaining from offering any opinion upon the subject, but simply expressing a hope that it would receive that attentive consideration which the important interests involved entitled it to command.

I was induced to express this desire, because I had reason to fear that an immediate answer in the affirmative would be returned to the proposal, without due consideration, or a sufficiently careful investigation as to the probable results of such a decision. It appeared to be the general opinion that by accepting the proposal a new market would at once be opened for our produce, without entailing thereby any corresponding sacrifice on our part, while I, on the contrary, was very forcibly impressed with the conviction that it would eventually entail the abolition of all indirect taxation in the shape of import duties; and although I conceived a change from indirect to direct taxation would be highly beneficial to the true interests of this colony, I did not consider it desirable that a measure involving such important considerations should be brought about without full consideration, and a clear knowledge of its probable ultimate result.

It only remains for me, in conclusion, to express my regret that I should have been instrumental in bringing under the notice of the Legislative Houses of this island, a proposal, which, although it did not appear to me at the time to be open to any graver objection than that of the unauthorized source from which it emanated, it is now apparent from a perusal of the Secretary of State's circular despatches of 12th July and 11th August, would, from its infringing upon the established commercial policy of the British Empire lead to many serious evils.

It is, however, satisfactory to me to be enabled at the same time to report that no inconvenience was caused by the course which I was induced to adopt. A joint committee of both Houses was appointed to consider the proposal, and reported strongly in its favour; but the opinion of Her Majesty's Government upon the subject having been expressed about the same time in Parliament, the report was not adopted by the Houses, and became a "dropped order."

I have, &c.
(signed) *Hercules G. R. Robinson.*

His Excellency the Governor-in-Chief,
&c. &c. &c., Antigua.

LEEWARD ISLANDS.

Despatch from the Secretary of State.

— No. 38. —

(No. 22).

No. 38. Right Hon. Lord J. Russell to Governor Mackintosh, 14 July 1855.

COPY of a DESPATCH from the Right Honourable Lord *John Russell* to Governor *Mackintosh*.

Sir, Downing-street, 14 July 1855.

I HAVE to acknowledge the receipt of your despatch of the 9th ultimo, (St. Kitt's No. 47), transmitting copies of addresses which have been interchanged between Lieutenant-governor Robinson and the Council and Assembly of that island, on the opening of a new session of the Legislature.

I request that you will obtain from Lieutenant-governor Robinson an explanation of the views and circumstances which dictated the passage in his speech, referring to a proposal of a free commercial intercourse between St. Kitt's and Canada.

I have, &c.
(signed) *J. Russell.*

JAMAICA.

Despatch from the Governor of Jamaica.

— No. 39. —

(No. 92).

No. 39. Governor Sir H. Barkly to the Right Hon. Sir W. Molesworth, Bart., 8 September 1855.

COPY of a DESPATCH from Governor Sir *H. Barkly* to the Right Honourable Sir *Wm. Molesworth*, Bart.

King's House, 8 September 1855.
(Received, 3 October 1855.)

Sir,

WITH reference to Lord John Russell's circular despatch* of 12th July last, instructing the Governors of Her Majesty's colonies to withhold their assent from Bills passed by the local Legislatures, imposing differential duties, whether on articles of British, foreign, or colonial production, as against similar articles produced in the colony itself, or in favour of one colony against another, I think it as well to mention that a proposition for a free interchange of commodities between the Canadas and Jamaica was some months since addressed by a committee of the Canadian Assembly to the island Secretary here, who, not being a member of the Legislature, nor in any way concerned in politics, very properly confined himself to acknowledging its receipt.

* Page 1.

2. As the fact of a similar invitation having been given to the West India colonies generally soon afterwards transpired, I deemed it advisable to mention the receipt of this communication officially to my executive committee, pointing out in so doing the certain disadvantage of such an arrangement, even if the Imperial Government could sanction it, to the public revenue, no less than to all engaged in trade with the United States, which is daily augmenting in importance as the effects of the abolition of protecting duties on colonial produce in the home market gradually develop themselves; and I am happy to say I found the members disposed to enter cordially into these views, and to abstain from taking any notice whatever of the overtures which had been made.

3. Since that period the subject has been much discussed in the island press, and very conflicting opinions expressed in regard to it; but the most influential

 newspapers

JAMAICA.

newspapers seem to disapprove of the idea on various grounds, and if any question should be raised during the approaching session, I do not anticipate much difficulty in giving it the go-by.

4. I shall continue at the same time carefully to avoid all allusion to the proposition, as it is evident, from the notice taken in some of these articles of what has lately passed in Parliament on the subject, that there is a large party who would be inclined, even at a sacrifice to Jamaica, to favour the project of a Colonial Customs League, provided only they had reason to think that they could in that way retaliate on the mother country for her free trade policy.

I have, &c.
(signed) *Henry Barkly.*

---

10 September 1857.

P. S.—Immediately after the foregoing was written, your circular despatch of the 11th ultimo,* calling particular attention to the Canadian proposal, came to hand; and I am glad to perceive that I had correctly anticipated the views of Her Majesty's Government upon the subject.

H. B.

* Page 3.

&c.

any ques-
ate much

the pro-
s of what
arty who
ject of a
that they
licy.

Barkly.

1857
spatch of
came to
views of

H. B.

443

CUSTOMS DUTIES
(CANADA AND THE WEST INDIES).

COPIES or EXTRACTS of any CORRESPONDENCE which has taken place between the Colonial Office and the Governors of our *North American* and *West Indian* Colonies, on the subject of a Proposal for the Mutual ABOLITION of CUSTOMS DUTIES upon the Productions of *Canada* and the *West Indies*.

(*Sir Stafford Northcote.*)

Ordered, by The House of Commons, *to be Printed*,
29 *July* 1856.

[*Price* 9*d.*]

431.

Under 12 *oz.*